HOUSE OF REPRESENTATIVES.

FRIDAY, March 8, 1918.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou God and Father of us all, above all, through all, and in us all, Thou knowest the terrible condition in which the world has been plunged, in an unparalleled war, for its cruelty, hate, and revenge.

Heal, we beseech Thee, the broken hearts, comfort the sorrowing, strengthen the weak, encourage every legitimate effort to bring peace again to the world; that the wrecked homes may be restored and hope again reign in the hearts of mankind; that the prayer of prayers may be answered and Thy will be done in earth as in heaven, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and ap-

proved.

PERMISSION TO ADDRESS THE HOUSE.

Mr. RANDALL. Mr. Speaker, I ask unanimous consent for

The SPEAKER. The gentleman from California asks unanimous consent to speak for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. RANDALL. Mr. Speaker, in the time granted me I desire to have the Clerk read a telegram sent by order of the Prohibition national convention and directed to the House of Rep-

The SPEAKER. The gentleman from California asks unanimous consent to have a telegram read. Is there objection?

Mr. WALSH. I did not understand on what subject the telegram was.

Mr. RANDALL. The telegram was sent by order of the Prohibition national convention, and naturally it is on the subject of prohibition.

Mr. WALSH. I did not understand.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

CHICAGO, ILL., March 6, 1918.

House of Representatives,
Care Hon. Charles H. Randall,
Washington, D. C.:
Washington, 28

The Prohibition Party in national convention assembled would first of all declare our loyal Americanism and pledge our loyalty to our President and every branch of the Government in every effort to protect American rights and to make the world safe for democracy; but at the same time democracy should be made safe for the world. To do this the Government must set its face against every evil in the present conflict with Germany. The greatest ally of the Kaiser in our land is the liquor traffic. We demand the immediate killing of this traitor by the enactment of war prohibition for the Nation. We assure you that the declaration that organized labor would band itself against the Government if prohibition were enacted is a libel upon our tollers, and we brand as traitors those so-called labor leaders who by this threat would take the Government by the throat. We declare it not merely pitiful but disloyal to worse than destroy, in making drink, enough foodstuffs to feed the armies at the front. We protest against permitting this to be done, while calling upon our children to do without bread and meat and sweets. Do the right and give us nation-wide prohibition at once, and call upon our allies to do the same for their lands.

By order of Prohibition national convention.

T. Marcellus Marshall, B. E. P. Prugh, W. M. GODWIN.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed the bill (S. 3714) to provide further for the national security and defense and for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes, in which the concurrence of the House of Representatives was requested.

PERMISSION TO ADDRESS THE HOUSE.

Mr. CANNON. Mr. Speaker-

The SPEAKER. For what purpose does the gentleman from Illinois rise?

Mr. CANNON. I ask unanimous consent for three minutes to make a statement.

The SPEAKER. The gentleman from Illinois asks unanimous consent for leave to address the House for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CANNON. Mr. Speaker, I have just listened to the tele-

gram read at the request of the Member from California. I, too, get telegrams of the same tenor from individuals. Congress enacted a law prohibiting the making of alcoholic drinks for beverage purposes, and the same law authorized the President to prohibit or regulate the making of beer, and the Presi-

dent did prohibit the making of beer containing more than 21 per cent of alcohol and can now prohibit the making of beer that contains any alcohol.

We are sending to our allies barley, corn, and oats, and these

are used by our allies for the making of beer.

I voted, voicing the sentiment of my constituents, to submit a constitutional amendment for national prohibition. I just want to make that statement.

We are in this greatest of all wars in the history of the human race for democracy. Our boys are in the trenches, We are feeding and financing our allies. Our allies are making beer from our grain exported to them. Shall we embargo our exports of grain?

As legislators, we must look over the whole situation at home and abroad. Is it wise to embargo grain supplies to our allies because they make a portion of it into beer? If so, we go without markets for a part of our product. If the President prohibits the production of beer 2½ per cent alcohol, we lose a home market for a large per cent of our corn, barley, and oats, and a large per cent of internal-revenue tax upon the same.

I know there are good people who believe it wise to so prohibit, and there are some people who look to that end without regard to other matters and some who look at the universe through a gimlet hole, and the universe is according to the range of their vision. [Applause.]

SPEAKER PRO TEMPORE SUNDAY.

The SPEAKER. The Chair appoints the gentleman from North Dakota (Mr. Norton) to preside as Speaker pro tempore next Sunday.

EXTENSION OF REMARKS.

Mr. HICKS. Mr. Speaker-

The SPEAKER. For what purpose does the gentleman rise? Mr. HICKS. I ask unanimous consent to extend my remarks in the Record on the subject of manning the merchant ships with naval crews

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the Record. Is there objection? [After a pause.] The Chair hears none.

SOLDIERS AND SAILORS' INSURANCE.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to take up at this time and pass Senate joint resolution 133.

The SPEAKER. The gentleman from Texas asks to take from the Speaker's desk and consider at this time Senate joint resolution 133. Is there objection?

Mr. GILLETT. Reserving the right to object, let it be re-

Mr. COX. Mr. Speaker, reserving the right to object— The SPEAKER. That is what the Chair has ordered done. The Clerk read as follows:

Joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured.

Resolved, etc., That insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, shall be granted by the Bureau of War-Risk Insurance on application made by the person to be insured or, subject to such regulations as the bureau may prescribe, by any other

The SPEAKER. Is there objection?

Mr. COX. Mr. Speaker, reserving the right to object, I think the gentleman from Texas ought to make some explanation of this resolution.

Mr. RAYBURN. Mr. Speaker, yesterday afternoon when I tried to get this up I explained the reason for it. The reason for the introduction of this resolution at this time is that there are a good many men in the service now whose position is such that it is impossible for them either to apply for insurance or indorse an application for insurance.

Mr. COX. Who are they?

Mr. RAYBURN. For instance, we have a good many men in prison in Germany and they can not do it. We have them scattered in different services over the world and-

Mr. COX. Are they in the Army or some branch of the military service?

Mr. RAYBURN. Those fellows captured are in the Army.

Mr. COX. That is true. As I caught the reading of the

resolution-I may be wrong-it seemed broad enough to permit the wives of soldiers or fathers and mothers of soldiers to take out insurance for those soldiers.

Mr. RAYBURN. That is what it is intended for.

Mr. COX. Let me ask the gentleman this question: Suppose a soldier who is now in the service had already taken out insurance. Would this provision permit his wife to take out additional insurance?

Mr. RAYBURN. No; this is for people who have not made

any application for insurance at all.

How is that?

Mr. RAYBURN. This is for people who have not made application for insurance at all.

Mr. COX. It would be those people now who are in the military service in some way?

Mr. RAYBURN. And the time for which they can apply for this insurance will expire on the 12th of April.

Mr. BARKLEY. Will the gentleman yield?

Yes.

Mr. BARKLEY. Suppose the soldier had applied for \$5,000 insurance, would this enable his wife or some other member of

the family to apply for an additional \$5,000?

Mr. RAYBURN. It would not. This is to cover cases where they have not applied. It would not cover a case where there has been an application filed. This says that it must be applied for by the soldier himself or by another person. I am going to offer an amendment, however, if we are able to get the bill up, which will provide to strike out the words "by any other person," because I think that is a little too broad, and insert in lieu thereof "by any person who under the law can be named as a beneficiary under the policy."

Mr. BARKLEY. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. BARKLEY, I was informed the other day by the Bureau of War-Risk Insurance that under the present regulations, where the soldier has made an application for, say, \$5,000 of insurance, and has obtained it, any member of his family who might be a beneficiary could make an application for an additional \$5,000, but the application for the additional amount would have to be approved by him and sent back before it was issued. Does this resolution cover that situation?

Mr. RAYBURN. No. This resolution simply covers persons who have made no application whatever. The regulations now are that the soldier if he makes the application himself, or if somebody else makes it, must indorse the application, and some of these fellows are in a position where they can neither make the application themselves nor indorse an application. And it is supposed to cover cases of that kind.

Mr. BARKLEY. Where the application is made by some other than the soldier himself, does that contemplate that the premium shall be deducted from his pay as a soldier?

Mr. RAYBURN. They are not going to question where that premium is paid. It can be paid by him or by somebody else.

Mr. BARKLEY. But where it is applied for by somebody

else, it would not be deducted from his pay unless he consented to it?

Mr. RAYBURN. No, sir. Mr. McKENZIE. Will the gentleman yield?

Yes. Mr. RAYBURN.

Mr. McKENZIE. The question I wanted to ask is the one brought out by the gentleman from Kentucky [Mr. Barkley]. I understand that under this law where the soldier applies for insurance and it is granted, then the premium is taken out of the soldier's pay. Now, in case the soldier does not care to take out the insurance and somebody else takes out the insurance under this resolution, after the policy is issued, would it be possible then for the War-Risk Insurance Bureau to take from the soldier's pay the premium for insurance which perhaps he does

Mr. RAYBURN. That, of course, would be subject to regula-tion, and I do not think, however, that the bureau would make a regulation that a fellow should pay out money for something

he had not applied for.

Mr. GILLETT. Mr. Speaker, this law ought not to be broadened in this way by unanimous consent. I think it ought to be discussed fully; so I object.

Mr. RAYBURN. Will the gentleman reserve his objection for

just a moment?

Certainly.

Mr. RAYBURN. It is most important, if we are going to pass this resolution, that it be passed pretty soon. This time absolutely expires on April 12, and that is after we have given a 60-day extension on it. After April 12 it will not do any good to pass a law like this for the fellows in the service now, more than 2,000,000 of them, but it might do good to the fellow that goes in the service hereafter.

Mr. GILLETT. I do not wish to delay it, but it does not seem

to me right that such a broadening of the original law should

be permitted without a full discussion. If it was right it should have been put into the original law.

Mr. RAYBURN. I will say to the gentleman it was the intention of the framers of the original law, but the Attorney General in a ruling asked for by the bureau on that very point held they could not take out the insurance unless the soldier applied for it or indorsed the application.

Mr. GILLETT. It seems to me that was right. It does not

seem to me anybody ought to be allowed to take it out. I recognize the exception that the gentleman stated yesterday, of a man being a prisoner so that he could not apply himself, and if the gentleman would limit it to that I would be glad to

consent, but I do not see any other reason for it.

Mr. RAYBURN. I would be willing, of course, to limit it to such a limitation on it as would cover the case. But there are other cases that have been specifically called to my attention, of men who are in a position, besides the men who are in prison, to not get this insurance.

The SPEAKER. Is there objection?
Mr. GILLETT. I object, Mr. Speaker.

FURLOUGHS TO ENLISTED MEN.

Mr. DENT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 9100, a bill authorizing the Secretary of War to grant furloughs.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 9100) to authorize the Secretary of War to grant fur-loughs without pay and allowances to enlisted men of the Army of the United States, and for other purposes.

Be it enacted, etc., That whenever in the opinion of the Secretary of War the interests of the service or the national security and defense render it necessary or desirable, the Secretary of War be, and he hereby is, authorized to grant furloughs to enlisted men of the Army of the United States with or without pay and allowances or with partial pay and allowances, and for such periods as he may designate, to permit said enlisted men to engage in civil occupations and pursuits.

Also the following committee amendment was read:

Add at the end of the bill the following proviso, after the word "pursuits" in line 10, page 1:

Provided, That such furloughs shall be granted only upon the voluntary application of such enlisted men under regulations to be prescribed by the Secretary of War."

The SPEAKER. Is there objection? Mr. WALSH. Mr. Speaker, I object.

ADDITIONAL ASSISTANT SECRETARIES OF WAR.

Mr. DENT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 9352, increasing the number of the Assistant Secretaries of War by two.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other

Be it enacted, etc., That an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890 (26 Stats., p. 17), be, and the same hereby is, amended to read as follows:

"There shall be in the Department of War an Assistant Secretary, a Second Assistant Secretary, and a Third Assistant Secretary, each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall be entitled to a salary of \$4,500 a year, payable monthly, and shall perform such duties in the Department of War as shall be prescribed by the Secretary or as may be required by law."

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. This bill is on the Union Calendar.

Mr. DENT. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Alabama asks unanimous consent that this bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.
The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. Dent, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. SHOUSE rose.

Mr. DENT. Mr. Speaker, I would like to ask unanimous consent for the present consideration of another bill.

The SPEAKER. I think the gentleman is too [Laughter.] The gentleman from Kansas is recognized.

PENSIONS.

Mr. SHOUSE. Mr. Speaker, I want to call up a pension bill, H. R. 10477.

The SPEAKER. The Clerk will report it.

The Clerk read the title of the bill, as follows:

A bill (H. R. 10477) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Mr. SHOUSE. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole

The SPEAKER. The gentleman from Kansas asks unani-mous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

Mr. SHOUSE. Mr. Speaker, I ask unanimous consent to dispense with the first reading of the bill.

The SPEAKER. The gentleman from Kansas asks unanimous consent to dispense with the first reading of the bill. Is there objection?

There was no objection. The bill is as follows:

The bill is as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—
The name of James H. Woods, late of Company I, One hundred and twentieth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$50 per month in lieu of that he is now receiving.

The name of Thomas C. Thodey, late of Company B, Sixteenth Regiment Michigan Volunteer Infantry, and pay him a pension at the rate of \$36 per month in lieu of that he is now receiving.

The name of Lilla J. Darling, helpless and dependent child of Nelson Darling, late unassigned, Twenty-second Regiment Wisconsin Infantry, and pay her a pension at the rate of \$12 per month.

The name of John Wilson, late of Company I, Twenty-third Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Annic Garner, helpless and dependent child of William H, Garner, late of Company C, One hundred and ninety-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$12 per month.

per month in lieu of that he is now receiving.

The name of Annie Garner, helpless and dependent child of William He name of Annie Garner, helpless and dependent child of William He name of George H. Bostwick, late of Company I, Seventy-second Regiment New York Volunteer Infantry, and pay him a pension at the rate of \$12 per month.

The name of George H. Bostwick, late of Company I, Seventy-second Regiment New York Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Jeremiah Wilson, late of Company K, Ninth Regiment, and Company C, First Regiment, twest Virginia Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of William S, Snodgrass, late of Company D, Seventeenth Regiment West Virginia Volunteer Infantry, and pay him a pension at the late of th

The name of Heavy M. Means, late of Commany C. Second Battalen of \$30 per mouth in Heu of that he is now receiving.

The name of Sanford Smith, late of Company B. Twenty-fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$30 per mouth in Heu of that he is now receiving.

The name of Sanford Smith, late of Company B. Twenty-fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$40 per month.

The name of Jeremiah M. Fitger, late of band, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$21 per month.

The name of John W. Randels, late of Company G. One hundred and seventy-inith Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$40 per month in Heu of that he is now receiving.

The name of John W. Randels, late of Company G. One hundred and pay her a pension at the rate of \$25 per month.

The name of Jacob Crist, late of Company F. Pourteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of \$40 per month in Heu of that he is now receiving.

The name of Jacob Crist, late of Company F. Pourteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of \$30 per month in Heu of that he is now receiving.

The name of Charles D. Monroe, late of Forty-eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$30 per month in Heu of that he is now receiving.

The name of Charles D. Monroe, late of Forty-eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$30 per month in Heu of that he is now receiving.

The name of Late of \$30 per month in Heu of that he is now receiving.

The name of Wiler D. West, late of Company F. Eleventh Regiment Heavish and the rate of \$30 per month in Heu of that he is now receiving.

The name of Alfred A. Gambill, late of Company F. Eleventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$30 per month in Heu of that he is now receiving.

The name of Alfred A. Gambill, late of Co

and seventy-second Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Irwin Beach, late of Company D, Seventeenth Regiment Illinois Volunteer Cavairy, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Peter Beichler, late of Company F, Seventy-ninth Regiment, and Company G, One hundred and thirty-third Regiment, Pennsylvania Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of John C. Kuhn, late of Company F, One hundred and seventy-seventh Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Tilman H. Elrod, late of Company I, Thirteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of John T. McGown, late of Company F, One hundred and thirty-sixth Regiment, and Company G, Forty-ninth Regiment, Illinois Volunteer Infantry, and pay him a pension at the rate of \$36 per month in lieu of that he is now receiving.

The name of James H. Kabrick, late of Company F, One hundred and twenty-sixth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Albert Vantassel, late of Company C, Thirty-eighth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of \$36 per month in lieu of that he is now receiving.

The name of Mary E. Selby, widow of Francis M. Selby, late of Company I, Ninety-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$25 per month.

The name of Levi Lightfoot, late of Company E, Fifteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of David D. Bryant, late of Company F, First Pennsylvania Volunteer Light Artillery, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of James M. Turley, late of Company H, Thirteenth Regiment Missouri Volunteer Cavairy, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Amanda L. Townsend, widow of Jacob Townsend, late of Company D, Twelfth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$25 per month.

The name of Oren M. Harlan, late of Company A. Fourteenth Regiment, and Company E, Sixth Regiment, Tennessee Volunteer Cavairy, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Isaac M. Glasford, late of Company A, Twenty-ninth

ment, and Company E, Sixth Regiment. Tennessee Volunteer Cavairy, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Isaac M. Glasford, late of Company A, Twenty-ninth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of \$36 per month in lieu of that he is now receiving.

The name of Henry D. Loveland, late of Company E, Seventh Regiment Pennsylvania Volunteer Cavairy, and pay him a pension at the rate of \$36 per month in lieu of that he is now receiving.

The name of James Knight, late of Company K, Forty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$36 per month in lieu of that he is now receiving.

The name of Denton Williams, late of Company B, Thirty-seventh Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of William Starling, now known as William Hopkins, late of Company B, One hundred and eighteenth Regiment United States Colored Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of James Gallagher, late of Company I, Eighty-first Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of \$50 per month in lieu of that he is now receiving.

The name of Michael T. Wertz, late of Company B, One hundred and seventy-second Regiment Pennsylvania Drafted Militia Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Benjamin D. Cole, late of Company B, One hundred and seventy-eighth Regiment Pennsylvania Drafted Militia Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Thomas A, Pine, late of Company B, One hundred and pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of James Altic, late of Company F, Furenty-sixth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$30 pe

The name of Charles F. Deivert, late of Company B, One hundred and twenty-ninth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Alexander Clark, late of Company H, Seventy-eighth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Alexander Clark, late of Company E, One hundred and ninety-third Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of John Douglass, late of Company A, Forty-third Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$36 per month in lieu of that he is now receiving.

The name of William A, Mitchum, late of Company E, Fifty-fifth Regiment Kentucky Volunteer Mounted Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Lena Derl, helpless and dependent child of Charles Derl, late of Company B, Forty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Henry R. Riner, late of Company G, One hundred and thirty-second Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of William Johnson, late of Company H, First Regiment United States Veteran Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Maggle A, Skinner, former widow of Zachariah D. Epperly, late of Company F, Thirty-fifth Regiment Indunver Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Josephus H. Spann, late of Company C, Thirteenth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of John H. Travis, late of Comp

The name of Mary R. Butler, widow of Adon Butler, late of Company B. Nith Regiment. New York Volunteer Cavalry, and pay her a cach of two minor children of the solider in lieu of that she is now receiving.

The name of William J. Lawless, late of Company I. Fifth Regiment Kentucky Volunteer Cavalry, and pay him a pension at the rate of 830 per month in lieu of that he is now receiving.

The name of William J. Lawless, late of Company H. One hundred and forty-inith Regiment Ohio Industry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of George H. King, late of Company J., Second Regiment Hillois Volunteer, Diratty, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of George H. King, late of Company J., Second Regiment of Same of

The name of William Tomlinson, late of Company I. Third Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Albert Wentink, late of Company K. Fiftleth Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Simeon Chapman, late of Company E, Sixteenth Regiment Ohlo Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Cyrus B. Bristol, late of Company B, Sixty-fifth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Mathias Steffas, late of Company A, Fourteenth Regiment Ohlo Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Eli Pealer, late of Company D, Thirty-fifth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Eli Pealer, late of Company D, Thirty-fifth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The foregoing is a substitute for the following House bills referred to the Committee on Invalid Pensions:

The foregoing is a substitute referred to the Committee on Ir H. R. 518. James H. Woods. H. R. 633. Thomas C. Thodey. H. R. 786. Lilla J. Darling. H. R. 786. Lilla J. Darling. H. R. 870. John Wilson H. R. 874. Annie Garner. H. R. 1032. George H. Bostwick. H. R. 1315. Jeremiah Wilson. H. R. 1415. Jijah Pew. H. R. 1473. Elijah Pew. H. R. 1487. Ellory P. Willett. H. R. 1557. Alvin Eck. H. R. 1800. Margaret Dunham. H. R. 1982. John A. Baker. H. R. 2078. Lydia Elliott. H. R. 2078. Lydia Elliott. H. R. 2265. Cyrus C. Marston. H. R. 2392. Phebe Morgan. H. R. 2517. James L. Johnston. H. R. 2518. George H. Bradshaw. H. R. 2553. George H. Bradshaw. H. R. 2553. George H. Bradshaw. H. R. 2559. William A. Nichols. H. R. 2559. William A. Nichols. H. R. 3267. Charles G. Wilson. H. R. 3300. Sanford Smith H. R. 3400. Sanford Smith H. R. 4764. Jeremiah M. Flitger. H. R. 4764. Jeremiah M. Flitger. H. R. 4825. Harriet Botham. H. R. 4835. Jacob Crist. H. R. 4845. Jacob Crist. H. R. 4856. Richard M. J. Monroe, H. R. 5062. James A. Nichols, H. R. 4525. Richard M. J. Monroe, H. R. 5356. Richard M. J. Monroe, H. R. 5630. Charles On Meek. H. R. 8307, William Starling, now known as William H. R. 8307. William Starling, now known as William Hopkins.
H. R. 8318. James Gallagher.
H. R. 8366. Michael T. Wertz.
H. R. 8370. Benjamin D. Cole.
H. R. 8370. Benjamin D. Cole.
H. R. 8354. George Pugh.
H. R. 8515. Mary E. Beitzell.
H. R. 8539. James Altic.
H. R. 8639. James Altic.
H. R. 8687. Mexander Clark.
H. R. 8687. Alexander Clark.
H. R. 8687. Alexander Clark.
H. R. 8689. John Douglass.
H. R. 8882. William A. Mitchum.
H. R. 8990. Aivanes P. Henery.
H. R. 8890. William Johnson.
H. R. 8991. Henry R. Riner.
H. R. 8990. William Johnson.
H. R. 9778. Maggle A. Skinner.
H. R. 9135. Albert B. Cornell.
H. R. 9145. Albert B. Cornell.
H. R. 9176. Josephus H. Spann.
H. R. 9262. James Flanagan.
H. R. 9263. George Rush.
H. R. 9276. Robert Dignan.
H. R. 9276. Mary R. Butler.
H. R. 9436. Joseph S. Wiley.
H. R. 9451. George H. King.
H. R. 9457. William McCommon.
H. R. 9457. Benjamin G. Bridges.
H. R. 9639. Francis M. Wall.
H. R. 9639. Francis M. Wall.
H. R. 9630. David E. Tussing.
H. R. 9630. David E. Tussing.
H. R. 9630. Prancis M. Wall.
H. R. 9630. David E. Tussing.
H. R. 9630. Prancis M. Wall.
H. R. 9640. William F. Thornberry
H. R. 9857. James T. Rollf.
H. R. 9879. Joseph Brown.
H. R. 9879. Joseph Brown.
H. R. 9883. Daniel W. Butt.
H. R. 9879. Joseph Brown.
H. R. 9883. Daniel W. Butt.
H. R. 98849. James C. Stevenson.
H. R. 9910. John Short.
H. R. 9922. Francis Roy.
H. R. 9924. James Wakefield Carknown Hopkins. H. R. 5356. Richard M. J. Monroe,
H. R. 5463. General W. H. Harrison.
H. R. 5631. Theodore H. Robbins.
H. R. 5690. Charles Nack.
H. R. 5877. George W. Coughanour,
H. R. 5875. Thomas Conley
H. R. 6205. Sammel Dir.
H. R. 6673. William W. Wolf.
H. R. 6684. Joshua J. Bender,
H. R. 6684. Joshua J. Bender,
H. R. 6685. Orrin T. Blood.
H. R. 6731. Rodney S. Cathcart.
H. R. 6741. Joseph H. Rutroff.
H. R. 6863. Michael C. Bierring.
H. R. 7211. John Daily.
H. R. 7211. John Daily.
H. R. 7212. John Cherry.
H. R. 7218. John Cherry.
H. R. 7370. Irwin Beach.
H. R. 7370. Irwin Beach.
H. R. 7341. Peter Beichler,
H. R. 7444. John C. Kuhn.
H. R. 7483. Tilman H. Elrod.
H. R. 7762. Albert Vantassel,
H. R. 7868. Mary E. Selby.
H. R. 7868. Mary E. Selby.
H. R. 7867. James M. Turley.
H. R. 8092. Amanda L. Townsend.
H. R. 8093. Oren M. Harlan.
H. R. 8228. Henry D. Loveland.
H. R. 8228. Henry D. Loveland.
H. R. 8306. Denton Williams,
The SPEAKER. The Clerk V H. R. 9922. Francis Roy. H. R. 9944. James Wakefield Car-H. R. 9924. James Wakefield Carver.
H. R. 9944. James Wakefield Carver.
H. R. 9952. Albert N. Hopkins.
H. R. 9977. Henry C. Fuson.
H. R. 9970. Charles H. Peck.
H. R. 9984. Oliver R. Kazee.
H. R. 9993. Allen Farler.
H. R. 9994. Joseph Halcomb.
H. R. 10035. Allen Wright.
H. R. 10037. Anthony O'Grady,
allas John Davis.
H. R. 10046. William Tomlinson.
H. R. 10076. Cyrus B. Bristol.
H. R. 10076. Cyrus B. Bristol.
H. R. 10167. Eli Pealer.

The SPEAKER. The Clerk will read the bill for amendment. The Clerk read as follows:

The name of Cyrus C. Marston, late of Company B, Brackett's Battalion Minnesota Volunteer Cavalry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

Mr. SHOUSE. Mr. Speaker, I offer the following committee amendment.

The SPEAKER pro tempore (Mr. HILLIARD). The gentleman from Kansas offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 4, line 9, strike out lines 9, 10, 11,

The SPEAKER pro tempore. The question is on agreeing to the amendment

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read. The Clerk read as follows:

The name of Stillman P. Daily, late of unassigned drafted man, nine-teenth congressional district, Pennsylvania, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

Mr. SHOUSE. Mr. Speaker, I offer a committee amendment. The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 1, after the word "late," strike out the word "of."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

The name of David E. Tussing, late of Company A, One hundred and sixty-seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

Mr. SHOUSE. Mr. Speaker, I offer a committee amendment.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 19, line 12, after the word "and," strike out the words "sixty-seventh" and insert the words "seventy-sixth."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

The name of Eil Pealer, late of Company D. Thirty-fifth Regiment Indiana Volunteer Infantry, and pay him a peasion at the rate of \$40 per month in lieu of that he is now receiving.

Mr. DYER. Mr. Speaker, I move to strike out the last word. The SPEAKER pro tempore. The gentleman from Missouri

moves to strike out the last word. Mr. DYER. Mr. Speaker, I would like to ask the gentleman in charge of this bill if the Committee on Invalid Pensions has given any consideration to a general pension bill to make the pension of all veterans of the Union Army who served 90 days

or more some specific amount, say \$50? Mr. SHOUSE. I am glad the gentleman has asked that question. The Committee on Invalid Pensions has agreed upon a bill which will increase all pensions 30 per cent, with a minimum of \$25 and a maximum of \$50 a month. That bill has been re-

or see and a maximum or 550 a month. That bill has been reported favorably by the committee,

Mr. DYER. Will it be taken up at an early date?

Mr. SHOUSE. At the earliest possible date,

Mr. DYER. I think that is something that ought to be done, giving justice in a larger measure to these old soldiers than these special pension bills.

I want to ask the gentleman about two or three widows here who are named at the bottom of page 20. What is the occasion for a pension for Ellen M. Davenport? We have a law now which gives to widows of Civil War veterans \$25 a month.

Mr. SHOUSE. This widow was married June 4, 1907. The

existing law does not allow a pension in case of a marriage fol-lowing June, 1905. There are cases of widows who have mar-

ried more than once after the death of a soldier husband.

Mr. DYER. Where the widows have married more than once, does the Committee on Invalid Pensions give consideration to those cases

Mr. SHOUSE. Yes; it does. Mr. DYER. I withdraw the pro forma amendment.

The SPEAKER. The pro forma amendment is withdrawn. The question is on the engrossment and third reading of the bill. The bill was ordered to be engrossed and read a third time,

and was accordingly read the third time and passed.

On motion of Mr. Shouse, a motion to reconsider the last vote was laid on the table.

FURLOUGHS FOR CIVIL AND INDUSTRIAL OCCUPATIONS. Mr. DENT. Mr. Speaker, I renew my request for present consideration of H. R. 9100, authorizing the Secretary of War

The SPEAKER. The Clerk will report it by title.

The Clerk read the title of the bill (H. R. 9100) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States, and for other purposes

The SPEAKER. The gentleman asks present consideration of the bill. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to ob-

Mr. WALSH. Reserving the right to object, I do not intend to object. I did object before, but representations have been made to me of the great importance of this matter, particularly to the farming and agricultural communities, and the great need for assistance to get the crops planted; and while I do not think an important matter like this should be brought in without some notice, I have no objection to it, and hope no objection will be raised to it.

Mr. DENT. I am glad the centleman withdraws his objection. Unless this bill is passed now, it will be of no use to pass it, so far as the farmers are concerned.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I wish to inquire of the gentleman whether this bill is intended to apply only during the present war, or whether for all time?

Mr. DENT. During the continuance of the present war. It says so expressly

Mr. STAFFORD. Where is that language?

Mr. DENT. In the first line after the enacting clause of the Senate bill it is provided-

That, whenever during the continuance of the present war.

I will state to the gentleman from Wisconsin that this bill has passed the Senate, but the House bill and the Senate bill got crossed in some way. If I am given consent for the consideration of this bill, I shall ask to substitute the Senate bill, which has that language in it, together with the House proviso.

Mr. STAFFORD. Will the gentleman then be kind enough to have the Senate bill read for information, so that we can know exactly what are its provisions?

Mr. DENT. Yes.

The SPEAKER. Is there objection?

Mr. STAFFORD. Still reserving the right to object, let us see what the terms of the Senate bill are which the gentleman intends to substitute if consent is granted.

The SPEAKER. The Clerk will read it.

The Clerk read the bill (S. 3471) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States, as follows:

Be it enacted, etc., That, whenever during the continuance of the present war in the opinion of the Secretary of War the interests of the service or the national security and defense render it necessary or desirable, the Secretary of War be, and he hereby is, authorized to grant furloughs to enlisted men of the Army of the United States with or without pay and allowances or with partial pay and allowances, and, for such periods as he may designate, to permit said enlisted men to engage in civil occupations and pursuits.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield? at the intention of this bill to grant unlimited furloughs to enlisted men, so that they may be exempted from Army service entirely?

Mr. DENT. No: they are not exempted from Army service entirely. They are only exempted during the period that they are actually performing some service that will aid or assist in

the maintenance of the Army.

Mr. STAFFORD. It can be reasonably claimed that the son of a farmer is needed all the year on a farm, and that might be

the basis of his claim for a continuous furlough. Mr. DENT. Of course, the Secretary of War has the power to grant the furlough for any length of time that he wants to; but we are obliged to leave some discretion somewhere, and that

is the only place I can see where it can be left.

Mr. STAFFORD. Is it the intention of the Secretary of War to grant unlimited furloughs, so as to exempt the sons of farmers, granting them an exemption for all time for military

service?

Mr. DENT. No; it is not intended to do that. Mr. KAHN. One of the main reasons of the department for presenting this bill is this: The Secretary can now grant fur-loughs to the soldier, but while he is on furlough he gets his pay and allowances. This bill gives the Secretary of War the right to furlough him without pay and allowances.

Mr. TOWNER. Either with or without.

Mr. KAHN. Yes. He will get his pay from the farmer while he is working

Mr. CARTER of Oklahoma. Is it not also a fact that if he were furloughed under the present law he could not engage in any other occupation?

Mr. KAHN. That is true.

Mr. STAFFORD. If it is intended merely to grant limited furloughs, I have no objection to the purposes of the bill. [Ap-

Mr. DENISON. Reserving the right to object, will the gentleman yield?

Mr. DENT. Yes.

Mr. DENISON. This authorizes the granting of furloughs to enlisted men of the Army. Whom does that include? Does that include drafted men?

Mr. DENT. Drafted men and volunteers. Everybody in the

Army except officers.

Mr. TOWNER. Mr. Chairman, reserving the right to object,
I will say that it is well understood by the Secretary of War, and I think perhaps that in these cases I may say most of the furloughs will be only for a limited time. It is a fact that most of the men who will be benefited by the furloughs are those in the cantonments, not far from their own homes in many instances, who can be furloughed when needed, and probably for a limited time; but it is not expected that any extended furloughs will be granted under the terms of this act, and they will be granted, of course, principally for farming purposes.

Mr. FESS. I notice in the Senate bill there is no provision

for furlough upon application.

Mr. DENT. I will state to the gentleman from Ohio that if there is no objection to the consideration of this bill, it is my intention to substitute the Senate bill and request that the House proviso to the Senate bill be adopted.

Mr. FESS. That will cover it.
Mr. HICKS. Will the gentleman yield?

Mr. DENT. I will.
Mr. HICKS. This provides for the issuance of furloughs under regulations by the War Department?

Mr. DENT. Yes.

Mr. HICKS. Does that go back to the local board?

Mr. DENT. No.

Mr. HICKS. How will the soldier a Mr. DENT. To his superior officer. How will the soldier apply?

Mr. HICKS. And it will go from there right to the War Department?

Mr. DENT. Yes; the local boards will have nothing to do

Mr. HAUGEN. Will the gentleman yield?
Mr. DENT. Yes.

Mr. HAUGEN. As I understand, the purpose of the bill is to relieve the labor congestion on the farm?

Mr. DENT.

Mr. DENT. Yes; and also in the industries. Mr. HAUGEN. But more particularly to relieve labor congestion on the farm?

Mr. DENT. Yes.

Mr. HAUGEN. Is the question of skill to be taken into consideration?

Mr. DENT. No; skilled or unskilled labor has nothing to do

Mr. DENISON. Will the gentleman yield?

Mr. DENT. I will yield to the gentleman.

Mr. DENISON. I would like to ask the chairman if he has thought what effect it would have on the insurance of the men. Would a man be considered as in the military service when furloughed?

Mr. DENT.

Mr. DENT. Undoubtedly.
Mr. DENISON. If he is injured, would he be considered as injured in the military service?

Mr. DENT. The gentleman means whether he would come within the terms of the insurance?
Mr. DENISON. Yes.

Mr. DENT. I hardly think so; but I am not familiar with the insurance bill. It did not originate in the Committee on Military Affairs.

Mr. DENISON. But I suppose the committee and the chair-

man have thought of that question.

Mr. DENT. Well, I have given the gentleman my opinion—I do not think he would come under the provision of the insurance while on a furlough.

Mr. BLACKMON. Will the gentleman yield?

Mr. DENT. I will.

Mr. BLACKMON. I would like to ask the gentleman this question: The bill requires the soldier to make application himself. Suppose the soldier is never able to get his application presented to the Secretary of War? In an application for a dismissal or a relief from the Army he can only present it himself, and a Member of Congress can not present it.

Mr. WILLIAMS. Regular order, Mr. Speaker.
The SPEAKER. The gentleman from Illinois calls for the regular order. The regular order is, Is there objection?

Mr. BLACKMON. I am reserving the right to object.

The SPEAKER. But the gentleman from Illinois demands

the regular order. Is there objection? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. DENT. Mr. Speaker, I ask unanimous consent to consider the bill in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Alabama asks unanimous consent to consider the bill in the House as in Committee of the Whole. Is there objection?

There was no objection.

Mr. DENT. Now, Mr. Speaker, I ask to substitute for the House bill Senate bill 3471.

The SPEAKER. The gentleman from Alabama asks unanimous consent to substitute for the House bill Senate bill 3471. Is there objection?

There was no objection.

The Senate bill is as follows:

An act (S. 3471) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States.

United States.

Be it enacted, etc., That, whenever during the continuance of the present war in the opinion of the Secretary of War the interests of the service or the national security and defense render it necessary or desirable, the Secretary of War be, and he hereby is, authorized to grant furloughs to enlisted men of the Army of the United States with or without pay and allowances or with partial pay and allowances, and for such periods as he may designate, to permit said enlisted men to engage in civil occupations and pursuits.

Mr. DENT. Mr. Speaker, I move that the proviso to the House bill be adopted as a proviso to the Senate bill.

The SPEAKER. The gentleman from Alabama moves that the proviso to the House bill be adopted as a proviso to the Senate bill.

Mr. SAUNDERS of Virginia. I ask to have the proviso reported.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Provided. That such furloughs shall be granted only upon the vol-untary application of such enlisted men under regulations to be pre-scribed by the Secretary of War.

Mr. WALSH rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. WALSH. I understand the gentleman from Alabama has made a motion to adopt the proviso of the House bill. I want to ask a question with reference to it. Does the gentleman know what is contemplated to promulgate in the way of regulations before a furlough can be granted?

Mr. DENT. I can not answer the question in detail, but I understand, from statements made before the committee by the Secretary of War, that regulations will be so promulgated that each soldier will have his opportunity to know what his rights on the subject are and will be given his day in court and a fair hearing.

Mr. WALSH. He will have to submit his request for a furlough through the usual military channel. If the commanding officer should decline to approve it, it would never reach the Secretary of War. If he should happen to be a particularly valuable man in his company as well as a valuable man on the

farm, it might not reach the Secretary of War.

Mr. DENT. I will state that my colleague from Alabama [Mr. Blackmon] was raising that question a moment ago when the regular order was demanded. Personally, I would not object to an amendment to the bill as suggested by him, that the parent or guardian could make the application, but it would delay the passage of the bill and perhaps make the bill objectionable to the War Department. I think it ought to go through the regular channel. It is true that there will be occasions where some autocratic officer may refuse to do justice to his men, but you can not help that to save your life. The only way we can get around that is to request the War Department that when cases of that kind are called to the attention of the Secretary of War. Chief of Staff, or The Adjutant General the matter shall be handled directly. I will state that so far as my influence goes with the Secretary of War and the War Deparment, I shall undertake to see that each man is fairly treated.

Mr. SAUNDERS of Virginia. Will the gentlemtn yield?

Mr. WALSH. I had not finished my question.

Mr. DENT. I will yield to the gentleman from Massachusetts further, and then I will yield to the gentleman from Virginia.

Mr. WALSH. The gentleman from Virginia will pardon me or a moment. Would not the distinguished chairman of the for a moment. Military Committee suggest a way whereby these men who are needed for the particular purpose that is sought to be accomplished by this bill can be assured that when they apply for furloughs for this purpose that their application will reach the Secretary of War's office, whether approved or disapproved by the commanding officer?

Mr. DENT. I can only repeat what I stated a moment ago that that can be done and must be done, necessarily, by regulation-and I hope and believe that regulations will be adopted

to carry out that purpose.

Mr. WALSH. That is the purpose of this proviso? That is the purpose of this proviso. Mr. DENT.

Mr. SAUNDERS of Virginia. Mr. Speaker, the gentleman from Alabama [Mr. DENT] said that to adopt the amendment referred to, that is the amendment of his colleague, Mr. Black-Mon, would delay the passage of this bill. Why would that action delay the passage of the bill? The bill will be returned to the Senate, should the amendment of the gentleman from Alabama [Mr. DENT] be adopted.

Mr. DENT. Because I do not think the Senate would

Mr. SAUNDERS of Virginia. That is quite another matter. But if we adopt this proviso, the bill of necessity will be returned to the Senate.

Mr. DENT. Yes Mr. SAUNDERS of Virginia. So that we will not delay consideration of this resolution a moment by adding the amendment suggested, an amendment which the gentleman from Alabama says he favors

Mr. DENT. I said that I had no personal objection to it. I will state to the gentleman, but I believe that if that question is raised on the floor of the House, it will get up an argument over this bill, and the bill will likely fail, and I think that we ought to trust somebody down in the War Department to adopt

regulations that will carry out the true spirit of the matter.

Mr. SAUNDERS of Virginia. I recall perfectly well that
when the amendment providing for conscription, was under consideration, the House was advised of the procedure that would prevail with respect to bringing applications for exemption before the War Department. Yet it is within the experience of every Member of this House, that it is almost impossible for the papers of individual applications submitted at the several course to reach the War Department. at the several camps to reach the War Department for the purposes of review. Why not provide by some explicit provision of law, that these papers shall be transmitted to the War Department, whatever may be the action of the subordinate military authorities? That is a proposition so palpably right that I

can see no reason why it should not be enacted into law.

Mr. GREENE of Vermont. Mr. Speaker, if the gentleman from Alabama will permit, if the gentleman from Virginia will see the second sec bear in mind one feature of this matter, perhaps he will find part of the explanation that he seeks. I think this proviso is written into the law not so much to provide a means whereby a soldier may make application for a furlough as it is to pre-

vent his being furloughed against his will.

Mr. SAUNDERS of Virginia. I never heard of a case of a

soldier being furloughed against his will.

Mr. GREENE of Vermont. A man already in the military service may not want to go out and work in civil employment at the behest of some guardian, father, or other interested person. He has already established his status according to his own desires, and if you allow outside influences to carry it to the War Department or anyone else to carry it up there, a demand for his furlough without his own consent, the soldier may find himself furloughed against his will.

Mr. SAUNDERS of Virginia. I will say that I have never

heard of such a case, and a gentleman of large military experience has just stated to me, that there are no such cases.

Mr. DENT. I have had experience with just such cases.

Mr. SAUNDERS of Virginia. That is the one exception that proves the rule.

Mr. CARTER of Oklahoma. I have had one of those cases. Mr. SAUNDERS of Virginia. The department will not be burdened with many such cases. It is certainly something greatly out of the ordinary situation, indeed a most unusual and extraordinary experience, for a young man in the service and anxious to fight, to be furloughed against his consent and

taken out of the Army.

Mr. MILLER of Minnesota and Mr. SLAYDEN rose. Mr. SLAYDEN. Mr. Speaker, the gentleman from Alabama has yielded to me or has tried to yield to me
The SPEAKER. The gentleman from Asabama had an hour.

How much time does the gentleman yield to the gentleman from Texas?

Mr. DENT. Mr. Speaker, I hope the gentleman from Texas

Mr. Speaker, I hope the gentleman from texts will take his time by asking a question.

Mr. SLAYDEN. I do not want to consent to that.

Mr. MILLER of Minnesota. Mr. Speaker, I would like to ask a question, if the gentleman will yield for that purpose. As I understand the proviso it contemplates the sending of these applications to Washington. Before whom or what will these applications go in Washington for consideration and decision?

Mr. DENT. Through the regular military channels.
Mr. MILLER of Minnesota. To what individual here?
Mr. DENT. Through The Adjutant General to the Chief of

Staff and up to the Secretary of War.

Mr. MILLER of Minnesota. The Secretary of War, of course, can not do anything of the kind, he can not take up these individual cases and decide them. Who is the man that is going

Mr. DENT. The gentleman knows that I can not tell. I certainly would not be able to name what individual or individuals would be designated by the Secretary of War or the Chief of

Staff to handle these matters.

Mr. MILLER of Minnesota. That leads me to this inquiry. Will not that result in this situation: Every father throughout the country, or every mother who wants her boy away from the military service, will be beseeching every Member of Congress to rush down to some person, some commission, or some committee or the Secretary of War to have one of these furloughs granted. Should not the decision of these matters rest out in the field immediately where the man is? I am seriously opposed to that proviso.

Mr. DENT. I would state to the gentleman that I raised that very question with the Secretary of War when he first sub-mitted this bill to me, and he told me that it was to be his purpose in ordinary cases-in 90 per cent of the cases, in fact-to allow the division commander, the man on the ground who knew about the situation, to pass on the case, except in those cases where it was shown that an injustice was done. Of course, that

is the only way it can be handled.

Mr. MILLER of Minnesota. Is the gentleman going to insist on a vote on this without any further discussion of the bill?

Mr. DENT. Of course, I am not going to insist upon it without any further discussion, but I thought we had had enough discussion of the bill.

Mr. MILLER of Minnesota. I would like to have five minutes in which to discuss it.

Mr. DENT. How much time have I, Mr. Speaker?

The SPEAKER. The gentleman has 45 minutes remaining. Mr. DENT. How much time does the gentleman from Texas want?

Mr. SLAYDEN. I was preparing an amendment to offer when the bill is read.

The SPEAKER. How much time does the gentleman from

Alabama yield to the gentleman from Texas?

Mr. SLAYDEN. I am going to propose an amendment to provide that the application of an enlisted man for a furlough shall be transmitted to the Secretary of War.

Mr. QUIN. Will the gentleman yield?

Mr. SLAYDEN. Not yet.

Mr. DENT. Does the gentleman want any time?

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. SLAYDEN. Mr. Speaker, I ask the gentleman from Alabama to grant me a moment or two to ask a question.

Mr. DENT. Does the gentleman want to know whether I have objection to that amendment?

Mr. SLAYDEN. Yes.

Mr. DENT. Personally I have not, but the more amendments we tack on the bill that much more you affect the chances of

its getting through.

Mr. SLAYDEN. I realize that objection, but let me get through with my question, as I understand the gentleman has yielded to me. I want to see a precedent established in this matter that would be followed in other legislation touching the Navy. Now, I know personally of a case, I know of two cases right now, where unless this privilege is conceded to the soldier, who happens to be the only laboring man and, in fact, the only man in the family who can do farm work, ground will be uncultivated this year upon which food crops are ordinarily produced. One of these men is in the Navy and is on the Great Lakes. I do not know where the other is.

Mr. STEVENSON. Will the gentleman yield?
Mr. SLAYDEN. In a moment, I should like to see this amendment agreed to as a precedent. Now, the gentleman from Alabama knows as well as I do that if the application of a soldier, of an enlisted man, for a furlough for the purpose that is contemplated in this bill, should happen to be disapproved by the captain of his company or the colonel of his regiment, under the language that the bill now carries it would never reach the Secretary of War.

Mr. DENT. Unless regulations, as I stated, were adopted to

require that to be done.

Mr. SLAYDEN. We can require it to be done. Mr. DENT. And I will state to the gentleman-

Mr. SLAYDEN. And we ought to require it.
Mr. STEVENSON. Will the gentleman yield?
Mr. SLAYDEN. I will.
Mr. STEVENSON. Do I understand the gentleman's amendment provides that all of the applications are to be sent here? The gentleman means those refused, does he not? What is the necessity of sending those granted to the Secretary of War?

Mr. SLAYDEN. If the gentleman will permit-

Mr. STEVENSON. Those that are approved and the furlough granted-

Mr. SLAYDEN. The bill says they must go to the Secretary of War; he is the authority to pass on it.

Mr. STEVENSON. He passes on it by a subordinate officer.

Mr. SLAYDEN. That is another matter.

Mr. STEVENSON. Does the gentleman mean to say that if the officer grants the furlough, then is there any necessity of

sending it up here?

Mr. SLAYDEN. But the Secretary of War can delegate that power and probably will. Of course, if the application should be approved there will be no necessity for sending it on to the Secretary of War. I will correct my amendment to that extent. It was hastily drawn in the last five minutes.

No one wants to cripple the Army. But it is certain that where farms are stripped of all labor the growing of food crops, an essential for successful military enterprises, will be much

reduced.

Mr. CANNON. Will the gentleman from Alabama yield for a question or a suggestion?

Mr. DENT.

Mr. DENT. I will. Mr. CANNON. It seems to me that if there are to be appeals constantly as indicated that we will get into a great tangle and confusion with probably two or three hundred clerks

table and contain the War Department.

Mr. DAVIDSON. Thousand.

Mr. CANNON. Two or three thousand, my friend says.

Now, the only necessity for this legislation, as it seems to me, is that the time may come when mechanics are needed in the munition factories or elsewhere or in the shipyards, or farmers temporarily or permanently to raise or harvest the crops, as the case may be. Therefore I apprehend if there should be a condition of that kind, perhaps even under existing law, I ask for information, the Secretary of War or the President of the United States might so state and direct that the names should be furnished to him of the skilled people and that they might be temporarily granted a furlough during the stress all along the

Mr. DENT. Except they would have to pay them now and

under this resolution there would be no pay.

Mr. CANNON. Now, the only question about it is whether

they get that pay, or transportation, or both, and it might be fixed by regulation. I could conceive that you might take in farmers during the crop season and the harvest season and that you might ask that the farmers in whole or part pay their way, and so on, so that if we leave it subject to regulation it seems to me that there can be no real danger, especially if the want was so great that from the standpoint of winning the war it was necessary to have men of various callings doing piecework temporarily or otherwise during the continuance of the war.

Mr. DENT. I thoroughly agree with the gentleman from

Mr. FERRIS. Will the gentleman yield for a question? I understand the gentleman does not desire to yield for speeches, but will yield for a question.

Mr. DENT. I will.

Mr. FERRIS. If an applicant applies for a furlough new, however great the emergency, the Provost Marshal's office of the War Department can do only two things, either discharge him entirely or keep him. Is that true?

Mr. DENT. Oh, no; they grant a furlough now, but we have to pay a man while on furlough. I think the Secretary of War could now grant a furlough to a man in the Army on the condition that he should do work on a farm during the period of his furlough, and if he violated that condition put him back in the Army, so that really the only change in this law is the matter of

furlough without pay.

Mr. FERRIS. I hesitate to make the statement I am going to make, but I took up a very pathetic case this morning with the Provost Marshal's office, and they advised me that until this bill passed only one of two things could well be done, either discharge the soldier or retain him. And if that is the situation either in law or regulation this should be put through promptly. The draft law was put through under great stress and pressure, and doubtless there were some oversights in it. It was impossible to legislate into the minds of the several local boards an equal view of the law or of the regulations. And it resulted in many cases in taking men into the Army and leaving three or four hundred acres of wheat behind, with the wife in delicate condition, and a family dependent upon them. There is no way to get them out until such a law as this is passed. It is so essential in the farming sections that this be done to prevent, in many cases, hardships that can be avoided. I feel this will help out. I am glad the department is helping to arrange it. I am glad the committee is urging it. I hope the regulations will be carefully framed, so it will be effective and beget early results. If there is much delay about it, it will not be effective for this year's crop. The growing and harvesting of crops is so essential we must make no mistakes.

Mr. DENT. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. Miller] three minutes, and then I am going to move the previous question.

Mr. GREEN of Iowa. What is the gentleman's reason for cutting it off in this kind of way?

Mr. DENT. I think the House has generally discussed it, and is thoroughly familiar with it. However, I will withdraw the statement to the effect that I would move the previous

The SPEAKER. The gentleman from Minnesota [Mr. MIL-

LERI is recognized for three minutes.

Mr. MILLER of Minnesota. The gentleman from Illinois [Mr. Cannon] has just stated the only circumstance that would in any degree justify taking men from the Military Establishment and putting them on the farm or at work in factories. That position has been indorsed by the chairman of the committee. It may be possible that legislation of this character may be desirable to accomplish that purpose. The form proposed for this legislation makes it possible to corrupt our entire Military Establishment.

Will the gentleman yield? Mr. QUIN.

Mr. MILLER of Minnesota. Wait a moment. I have only three minutes.

The result of this would be, if the amendment is adopted, that political pressure will come from all over the United States in the effort to have released men from active military work-a pressure for interference that will punish the membership of this House and of the Senate beyond measure. You will be opening a barrel of hornets to afflict us all. There is peril in any weakening of our military grasp. The selective draft is working splendidly. Men once in must be kept in as completely as our military needs may require. When men go into the Military Establishment they must be under military control, kept there for military purposes, and be not allowed to go out for any other reason. The amendment proposed by the gentleman from Texas and the gentleman from Virginia opens up the door for every father, and mother, and wife, and sister, and child in the United States to besiege military officers and this Congress to make slackers, if you please. It does that very thing. Many will not hesitate to make slackers of their relatives in order that they may escape military burdens. In this military game we must play no favorites. Everybody in and everybody out of the military service must be given to know that military consideration will control the assignment of every soldier to duty. Every morning's mail we pick up now is filled with requests for a transfer of soldiers from the Infantry or Ar-tillery to some place where they think there is no danger. This would put a premium upon that, and will advertise to the people of the country that that can be done. Now, if it is the disposi-tion of the House to pass this bill at all, for goodness sake do not couple with it the requirement that all of these applications shall come to Washington, before a man or a commission before which you and I and everybody else will be solicited to present the cases of these deserving individuals. A purely military consideration should control, so the decision in these cases should rest with the military authorities. That is all I have to say.

Mr. DENT. Mr. Speaker, I yield three minutes to the gentle-

man from Illinois [Mr. McKenzie].

Mr. McKEnzie. Mr. Speaker, I do not know that I will use the three minutes, but I simply wish to say that in the consideration of this bill by the Committee on Military Affairs we had some very grave apprehensions of the danger connected with it, and we have tried to guard it in the best way we could find to guard it, in our judgment. The Secretary of War wants this legislation for certain purposes, which he explained to us, and to be used not to let all of the men out of the Army but to give him control of certain men whom he believed by furloughing to certain occupations can do better than by keeping them in the service. Now, if the proposition was, as one gentleman fears, to disrupt the Army, and it was going to let large numbers out, this bill ought to be defeated. We have undertaken to build up a great Army in this country, and we now have one. We do not want to pass any legislation that will make it possible to destroy that Army by giving anybody the power to furlough out regiments or companies of men by the hundreds, and to guard against that we put in the provision that a soldier could not be furloughed except on his own application. There is a good reason for that, in my judgment. I am one of those who believe that the man who puts on the uniform of our country

and fights our battles should not be asked or required to take a furlough in order to go home and go on to the farm or into the shop in the summer time for the purpose of producing food or materials with which to feed and clothe those of us who are not in the Army. I want these men to be soldiers. what they are in the Army for; and I want them to have furloughs occasionally. When they go home I want them to have the privilege of enjoying two or three weeks with their friends in that kind of recreation that a soldier ought to have. And to expect these boys to go out of the Army and back to the plow and into the fields to do the work that the men at home ought to do, I do not believe in, except when with the soldier's consent. And therefore we put in the provision that the soldier must ask for the furlough before he will be furloughed out into civilian life, with or without pay.
Mr. GARRETT of Texas.

Will the gentleman yield?

Mr. McKENZIE. I will.

Mr. GARRETT of Texas. In the letter from the Secretary of War to the chairman of the committee the whole thing is explained in these words-it is really an emergency measure in time of harvest. He says:

The main purpose for which it is intended to use this authority is to furlough soldiers in the National Army during harvest and planting time to enable them to assist in the agricultural production of the

It is only a question of emergency with the Secretary of War. If your section of the country and my section of the country are in dire need of these men they could be furloughed.

The SPEAKER. The time of the gentleman from Illinois has

expired.

Mr. DENT. Mr. Speaker, I yield three minutes to the gentle-

man from Virginia [Mr. SAUNDERS].

Mr. SAUNDERS of Virginia. Mr. Speaker, I desire to submit an amendment to the amendment to the joint resolution, the substance of which has been intimated heretofore. This amendment provides that the application for this turlough may be made by other persons as well as by the soldier; that it may be by his parents, or guardian. If this joint resolution is to accomplish any results of benefit, then it should be so framed, that the facts of a meritorious situation may be brought to the attention of the Secretary of War by the application of other persons than the soldier. It should not be limited to the soldier. The environments and conditions of a camp are such that they restrain young men from making applications entirely proper to be made. The superior officers often treat these applications in such a contemptuous fashion, that a young man is unwilling to expose himself to this treatment. No such limitations will surround the parents, or guardians in such cases. If this resolution is to accomplish anything, if it is to be something more than sounding brass, and tinkling cymbal, if the Secretary of War is to give furloughs in meritorious and deserving cases, then provision should be made by which such cases will inevitably be brought to his attention.

We were told time and time again that the purpose of the draft act was to provide a selective system for taking men into the Army, under which agriculture, and other essential industries would not suffer. And yet this body knows perfectly well, from statements made on the floor by numerous Members that time and time again they have been to the War Department with cases of the very greatest merit, cases in which it was incontrovertibly shown by the evidence before the district and local boards, that the individual in question ought to have been exempted either on the ground of his vital relation to some industry, or of dependents upon his labor, only to be told that nothing could be done. I have taken up cases with officials in the Provost Marshal General's office and upon the facts stated, been told that these cases were meritorious, and entitled to relief, but that this relief could not be secured at the department upon appeal, that it should have been afforded by the boards. In many of these cases the parties concerned were ignorant of their rights, or were advised that the time had passed for action upon their applications. That has been the experience of many Members of this body.

Mr. QUIN. Mr. Speaker, will the gentleman yield? Mr. SAUNDERS of Virginia. Yes. Mr. QUIN. Does not the gentleman think it would embarrass the War Department to allow the parent or guardian to do it?

Mr. SAUNDERS of Virginia. No; I do not. The conditions at the camps are such that the individual soldier, by reason of the sentiment prevailing there, would decline to make the application, although he might be urgently needed at home. I would like to see this resolution put in such a shape that a real remedy for many cases of hardship will be afforded, and meri-torious cases will be brought before the Secretary of War, or the tribunal that he will create to hear these applications. This House should provide by appropriate amendment that those

cases when acted on adversely at the camps shall be transmitted to the Secretary of War, so that upon the evidence transmitted justice may be done in each case upon the merits of the same. Unless this is going to be done, unless the meritorious cases of individuals without influence, or means, will be brought in some positive and affirmative way before the Secretary of War, for final action, then this bill will be worthless. It merely holds out a hope of relief that in the result will never be realized. There has been no adequate time given in which to discuss a matter of such importance as this. If the House would take up this resolution under circumstances admitting of a full presentation of the facts, it would soon reach the conclusion that conditions, on the homes, and the farms are such that a measure of real relief is needed, such a measure as this resolution would be, if appropriate and necessary amendments were adopted.

The SPEAKER. The question is on adding the proviso to

the Senate bill.

Mr. SAUNDERS of Virginia. Mr. Speaker, I have an amend-

ment to the proviso which I sent to the desk.

Mr. DENT. I did not yield the floor for anything except debate.

The SPEAKER. If the gentleman's amendment is up— Mr. SAUNDERS of Virginia. I did not want to take advantage of the situation. I did not get permission from the gentleman to offer an amendment. I sent the amendment to the desk. When the Speaker said there was an amendment pending, I thought he referred to my amendment.

Mr. DENT. Mr. Speaker, has my time expired? The SPEAKER. No. The Speaker was simply trying to cut

Mr. DENT. Then, Mr. Speaker, I will cut it off by moving the previous question on the resolution and all amendments thereto to final passage, with the right to anybody to offer amendments.

Mr. SLAYDEN. I have an amendment which I made applicable to the House bill. It can follow the amendment of the gentleman from Alabama, the chairman of the committee.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. SLAYDEN to amendment offered by Mr. DENT: Add at the end of the proviso the following:

"And provided further. That the application by the soldier for furlough not approved by the officer to whom power to pass on the same is given shall be transmitted to the Secretary of War for approval or disapproval."

The SPEAKER. Is that the Slayden amendment?

Mr. SLAYDEN. Yes. The SPEAKER. Now the Clerk will report the Saunders amendment.

The Clerk read as follows:

Amendment offered by Mr. Saunders to the amendment offered by Mr. Dent: After the words "enlisted men," in the proviso, insert the words "or of a parent or guardian of an enlisted man."

Mr. GREEN of Iowa. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. GREEN of Iowa. Is a motion to strike out the last word

The SPEAKER. No. The gentleman from Alabama [Mr. DENT] moved the previous question. The question is on the motion for the previous question.

The previous question was ordered.

The SPEAKER. The vote will be taken first on the Saunders amendment, inasmuch as that simply perfects the text of the

Mr. QUIN. Mr. Speaker, I would like to have the Saunders amendment read again, please.

The SPEAKER. Without objection, the Clerk will again report the Saunders amendment.

The Clerk read as follows:

Amendment offered by Mr. Saunders of Virginia to the amendment offered by Mr. Dent: After the words "enlisted men" in the proviso insert the words "or of a parent or guardian of an enlisted man," so that as amended the proviso will read:

"Provided, That such furloughs will be granted only on the voluntary application of such enlisted men or the parent or guardian of an enlisted man under regulations to be prescribed by the Secretary of War."

The SPEAKER. The question is on agreeing to the Saunders amendment to the proviso.

The question was taken, and the Saunders amendment was rejected

The SPEAKER. The question is on the Slayden amendment to the proviso.

The question was taken, and the Slayden amendment was re-

The SPEAKER. The question is on adding the proviso to the Senate bill.

The question was taken, and the proviso was agreed to. The SPEAKER. The question is on the third reading of the Senate bill as amended.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. Dent, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The House bill (No. 9100) of similar tenor

will, without objection, lie on the table.

There was no objection.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bili.

The motion was agreed to.
The SPEAKER. The gentleman from Virginia [Mr. Saun-

pers] will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the same being the legislative, executive, and judicial appropriation bill. The Clerk will report it by title.

The Clerk read as follows: A bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes.

Mr. HARRISON of Mississippi, Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

By unanimous consent, the following Members were given leave to extend remarks on the bill (S. 3471) just passed: Mr. Schall, Mr. Williams, Mr. Mansfield, Mr. Burnett, Mr. Ham-LIN, Mr. HAUGEN, Mr. SLEMP, Mr. SLOAN, Mr. GREEN of IOWA. and Mr. FOCHT.

The Clerk proceeded with the reading of the bill, and read as follows:

Collecting the income tax: For expenses of assessing and collecting the income tax as provided in Title I of an act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, and subsequent acts, including the employment of agents, inspectors, deputy collectors, clerks, and messengers in the District of Columbia, and the several collection districts, to be appointed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, and the purchase of such supplies, equipment, mechanical devices, and other articles as may be necessary for use in the District of Columbia and the several collection districts, \$3,000.000: Provided, That not more than \$215,000 of the foregoing sum may be used for the employment, in the Bureau of Internal Revenue in the District of Columbia, of necessary clerical and other personal services, and the purchase of such supplies, equipment, mechanical devices, and other articles as may be necessary for use in the District of Columbia.

Mr. HAMLIN. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question. There seems to be about three different organizations in the Burcau of Internal Revenue to collect three different kinds of taxes. I would like to inquir if there are really three different organizations or forces, and if so, if there is any duplication of work?

Mr. BYRNS of Tennessee. I will say that there is no separate organizations in the sense to which the gentleman apparently refers. These appropriations have been carried in this way owing to the passage of different acts for the Bureau of Internal Revenue.

Mr. HAMLIN. I suspected that that might be true.

Mr. BYRNS of Tennessee. The Commissioner of Internal Revenue, Mr. Roper, who was before the committee, said that he had only come into office in December, and in response to a question stated that there was no reason why these sums could not be lumped together, but that it had been impossible for him to give consideration to it owing to the short time that he had been in office.

Mr. HAMLIN. I understand that there are different sala-

Mr. MADDEN. Mr. Chairman, I think that the gentleman from Missouri and the gentleman from Tennessee ought to recognize the fact that this is the House of Representatives, and not a Democratic caucus.

The CHAIRMAN. The gentleman from Missouri has the floor.

Mr. HAMLIN. I would not for a moment, Mr. Chairman, overlook the interest that the gentleman from Illinois has in all these matters, and I commend him for it, and I did not mean that the gentleman from Illinois should not hear what I was saying.

Mr. MADDEN. I thought that the gentleman from Missouri and the gentleman from Tennessee were having a private col-

loquy.

Mr. HAMLIN. The point I wanted to get at is this: There seems to be three different kinds of services in the Internal-Revenue Bureau. The income tax, the ordinary tax, and another class of taxes. I was asking the chairman of the committee if there was any duplication of work, and he says there is not. What I want to inquire further about is this: In the collection of the income tax, for instance, certain salaries are paid to those agents. In the collection of the ordinary tax in the internal revenue there are different salaries paid for practically the same class of work. The impression I had was that sometimes the same agent is used to do both kinds of work.

Mr. MADDEN. Does the gentleman want to know why

that is?

Mr. HAMLIN. I am asking the question. Mr. MADDEN. I can answer the gentleman. The reason for that is that when we passed the law organizing the force to collect the income tax the organization of that special force was outside of the civil service, and, of course, that was political patronage, and therefore entitled to a little greater compensation than men who had to go on the pay roll as the result of an examination and prove their qualifications.

Mr. BYRNS of Tennessee. That is not the answer that I

would have given the gentleman. [Laughter.]
Mr. MADDEN. It is true just the same.

Mr. HAMLIN. I do not regard the explanation of the gentle-

man from Illinois either as very lucid or satisfactory.

Mr. MADDEN. It is lucid. It may not be satisfactory, but it is true.

Mr. HAMLIN. I am not sure that that is the correct answer. Mr. MADDEN. Will not the gentleman do me the credit to believe that I would tell the truth on such a subject?

Mr. HAMLIN. Yes; so far as the exigencies of the occasion

would permit. [Laughter.]

Mr. BYRNS of Tennessee. I will state that when the different acts were passed providing for increased work on the part of the Internal Revenue Bureau, the commissioner submitted estimates to Congress in each case for such force as he considered would be necessary in order to carry out the will of Congress. He estimated not only the amount of money to be needed, but the number of employees, and they have been carried in the bill in that way.

Mr. HAMLIN. But there is no duplication of work.

Mr. BYRNS of Tennessee. No duplication of work. It is just as the gentleman said a moment ago; a man may be employed under one of these appropriations and he may be charged not only with the duty of carrying out the particular duties for which he was appointed in the first instance, but he may have other duties in connection with the collection of internal revenue.

Mr. HAMLIN. It may be economy for him to look after another branch of the service while he is in the field?

Mr. BYRNS of Tennessee. Yes. Mr. HAMLIN. I can appreciate that,

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HAMLIN. I ask for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAMLIN. Now, in that same connection, is it not true, speaking seriously

Mr. MADDEN. I hope the gentleman does not mean to inti-

mate that I was not serious.

Mr. HAMLIN. Is not the trouble this-and it goes to other parts of this bill-is it not true that the large salaries are paid where we furnish the department or bureaus with a lump-sum appropriation? Is not that the trouble, and is not that a vice we are somewhat responsible for, not only in this bureau but other departments of the Government, by making lump-sum appropriations? Does not that demonstrate the unwisdom of giving any bureau or department a lump sum of money out of which they can pay salaries? Is it not true that they pay larger salaries than where salaries are fixed by law?

Mr. BYRNS of Tennessee. I think in the main the salaries

paid out of a lump sum are higher than those fixed by Congress.

Mr. HAMLIN. I want to ask the gentleman if he does not think and does not agree with me that, in so far as we can do it, we ought to quit appropriating money in lump sums for the payment of salaries?

Mr. BYRNS of Tennessee. I do; and I will say that the committee has been making earnest efforts to change that practice as far as it can do so, consistent with the best interest of the service.

Mr. SLOAN. Will the gentleman yield? Mr. HAMLIN. Yes.

Mr. SLOAN. I was much interested in the statement made by the gentleman from Illinois [Mr. Madden], but not wholly accepted by the gentleman from Missouri as being entirely ac-I would like to have the gentleman state wherein it is curate. inaccurate.

Mr. HAMLIN. I could give the gentleman a concrete case where it does not seem that his statement is entirely accurate or else it is not appreciated by those in the employ of the Government. I know a young man who is now in the Internal-Revenue Service who was appointed, not under the civil service, but he has recently taken the civil-service examination and is anxious to get into the other branch that is under the civil

Mr. MADDEN. So that he could have permanent tenure? Mr. HAMLIN. That was not it so much as it gives him an op portunity for promotion. There are advantages under the civil service in that service, and I think it is a good thing.

Mr. SLOAN. I expect the gentleman's exception is the ex-

ception that proves the rule.

Mr. HAMLIN. No; I do not concede that; but what I wanted to emphasize is my opposition to appropriations by lump sums for the purpose of paying salaries. I think that money is used extravagantly frequently and ought not to be thus handled.

Mr. FESS. Mr. Chairman, I rise in opposition to the pro-forma amendment. I want to make an observation and then get the opinion of the chairman of the committee on the matter of the payment of the income tax and the excess-profits tax, which would go more, of course, to the Committee on Ways and Means than to this committee, but in order to have a statement that I might make somewhat authoritatively, although not entirely so, I would like to have the opinion of the chairman of this committee. The requirement of the law to pay the income tax at certain periods seems to put a great many people in considerable distress, at least in anticipation of their inability to pay in lump sums. I have a communication from the Columbus Chamber of Commerce which says:

In the absence of such an extension most of our large businesses will be required either to pay the money out of working capital and reduced profits or to borrow the money from the banks. Moreover, men and business institutions who must be relied upon to absorb the great bulk of liberty bonds will not be in a position to purchase them and at the same time accumulate money for their taxes. Either one or the other must give way. Local bankers estimate that the total payments due from the Columbus district will aggregate at least one-half of the total deposits of the banks of Columbus, and it would seem the same situation exists elsewhere. If, on the other hand, payments may be made in installments, extending over the latter half of the year, by a natural process the Government will have time to redistribute this money in the local channels of trade without serious disturbance to business.

I have another from the Chamber of Commerce of Akron, Ohio. I do not know whether there is a propaganda on behalf of business men to induce a ruling of the Treasury to extend this payment in installments if the Treasury has the power without change of law, but I am getting so many letters asking the question that without definite information I am considerably embarrassed. These letters, whether the result of propaganda or not is not important, come from chambers of commerce from various parts of the State, and very many from individual business men in Springfield, Ohio, and many other places within my own part of the State. I addressed a letter yesterday to Mr. Kitchin, after speaking to him about it, on the possibility and feasibility of making the proposed change, and have, up to date, not received a reply. I should like to have the privilege of extending that reply in the Record when it does come. What I wanted the chairman to state, if he could, is whether it is within the province of the Treasury without further law to extend the payment in installments rather than in lump sums.

Mr. BYRNS of Tennessee. Mr. Chairman, as the gentleman stated, that is a question that could be answered with a great deal more satisfaction and certainty by the chairman of the Committee on Ways and Means, which has jurisdiction of the subject matter. I do not hesitate to say to the gentleman, however, that from some investigations I have made I am under the impression that the Treasury Department now has the authority to make some regulations along that line, and I say that for this reason. I had a letter similar to those the gentleman has been receiving, from a very prominent firm in my own city, suggesting that it would be a great convenience to the business people of the entire country if some plan could be devised whereby the income tax could be paid quarterly instead of at one time, as is now required. I took the matter up with the Commissioner of Internal Revenue, and he stated to me, as I now recall, that the matter had been the subject of a conference between him

and the Treasury officials. Personally, he felt that there was a good deal of force and logic in the contention made, but it was not adopted as a result of this conference, primarily because at this particular time the Government is in great need of funds, and on that account it was no thought wise to adopt any such provision or regulation. That was the reason given to me by the department for not adopting the suggestion, and it is for that reason that I have expressed the opinion that the Treasury Department would possibly have the power to put such a regulation into existence if it wanted to within the limitations of the act, which makes provision as to the limit of time when the tax must be finally paid. I have no other reason for making that statement.

The CHAIRMAN. The time of the gentleman from Ohio has

expired.

Mr. FESS. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection. Mr. FESS. In reading over the hearings of the Ways and Means Committee on the war-finance proposition I noted a statement from the Secretary of the Treasury when a member referred to this matter that liberty bonds and short-time certificates might be received for the payment of taxes, and I take it from what he stated that as the liberty bonds are issued at various times persons by purchasing the bonds at various times could utilize those later on and in that way it would not all come in bulk. That is, by periodic purchases of these Gov-ernment securities the taxpayer could avoid the complete outlay in one payment. I took it from that statement that in all probability the Secretary of the Treasury was not inclined favorably to distributing it in installments. However, pur-chasers of such securities had no such purpose when they took them, which was purely on patriotic grounds.

Mr. BYRNS of Tennessee. Of course the Secretary of the Treasury is bound by the provisions of the law. As I remember, the law provides these taxes shall be paid on or before a certain date, and if not paid at that time then a penalty attaches, but I take it that within those limitations the Treasury Department could provide for partial payments, and that is what I

meant to say a few moments ago.

Mr. FESS. If that arrangement could be made, it would be a great relief; otherwise from the statement of these men there is going to be considerable absorption of the ready money of the country that will be required in payment of these taxes at one particular time. Mr. Chairman, I ask unanimous consent to extend my remarks by printing some letters on this subject.

The CHAIRMAN. The gentleman from Ohio asks unanimous

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to extend his remarks by including some letters. Is there objection? [After a pause.] The Chair hears none.

Mr. FESS. The following are but a few of the many letters

of similar import which come to me from day to day:

SPRINGFIELD, OHIO, February 25, 1918.

Hon. Simeon D. Fess,

House of Representatives, Washington, D. C.

Dear Mr. Fess: I am inclosing herewith a copy of a letter which I addressed to Hon. W. G. McAdoo to-day, and if there is anything that you might do to bring about the desired situation I wish you would give the matter your attention.

We have a number of manufacturers right here in Springfield that will be face to face with ruin if they are compelled to pay this tax on June 15. I think you know enough about manufacturing to realize that increased profits can only come from increased equipment, and since a number of manufacturers have anticipated their profits by installing the necessary equipment they are now in the unfortunate position of having a lot of equipment on their hands and no money to pay this tax. I am calling this matter to the attention of Messrs. Kitchin, Harding. Simmons, and Pomerene so that they will be familiar with the situation when you take it up with them.

Thanking you in advance for anything that you can do for us in this matter, I beg to remain,

Yours, very truly.

President the Buckeye Incubator Co.

GEO. CUGLEY, President the Buckeye Incubator Co.

SPRINGFIELD, Onio, March 2, 1918. Hon, S. D. Fess, Committee on Foreign Affairs, House of Representatives,

Washington, D. C.

Washington, D. C.

Dear Mr. Fess: Your letter under date of February 27 to our Mr. Cugley is received during his absence and has been referred to the writer.

We certainly appreciate your expression of interest and cooperation in the matter of adjusting the payment of war taxes so that manufacturers will not be obliged to pay this in one lump sum. I am quite sure that the feeling of this company is in hearty accord with other manufacturers, as it can be very readily appreciated that this war tax should be distributed in payments instead of being collected in one lump sum, as war taxes are to cover 12 months' period, and by handling it on a payment basis it would be eliminating the hardship which it would otherwise work on manufacturers.

We will surely appreciate the good work that you can do in this connection, and beg to remain,
Yours, very sincerely,

THE BUCKEYE INCUBATOR Co.,
ARTHUR R. HILL,
General Sales Manager, the Buckeye Incubator Co.

These letters and resolutions come from Springfield, Ohio, where the tax will have a hurtful effect:

FEBRUARY 22, 1918.

Hon. S. D. Fess,

House of Representatives, Washington, D. C.

HONGRABLE SIR: The day is fast approaching when, in our modest judgment, there will be a calamity if some relief is not given by your honorable body, together with the Senate. On June 15 excess-profits tax payment must be paid.

Some method of spreading this payment over a few months should—and we are inclined to say, must—be solved, and we urge upon your your best efforts along these lines, which we know will be appreciated by the world at large.

Very truly, yours,

The Ridgely Trimmer Co..

THE RIDGELY TRIMMER Co., J. K. WILLIAMS, General Manager.

Resolution of Springfield Clearing House Association, Springfield, Ohio.

Resolution of Springfield Clearing House Association, Springfield, Ohlo.

Whereas by the requirements of the Federal income and war-tax laws, taxes assessed thereunder for the year of 1917 must be paid on or before June 15, 1918, and involve an abnormal burden on the tax payers of the city of Springfield and of Clark County, Ohlo, amounting to several millions of dollars, the major portion of which will be borne by the manufacturers of said city, and substantially all of which will have to be handled through the banks thereof; and Whereas by reason of a maximum of unfavorable conditions, growing out of the past rigid winter, transportation problems, scarcity of fuel, labor, and materials, and excessively high wages, and prices of materials, added to the bandleaps consequent upon the war, the manufacturers aforesaid have been unable to accumulate surplus funds and credits requisite to pay the taxes aforesaid; and
Whereas the available resources of the banks of said city will not permit them to loan to said manufacturers the amount necessary to pay said income and war taxes in addition to providing them with requisite funds and credits for their normal business demands; and
Whereas by reason of the causes and conditions aforesaid it is imperative that adequate relief be provided against the payment of all of the income and war taxes aforesaid, within the period aforesaid otherwise not only will the legitimate and essential operations and business of the manufacturers aforesaid be seriously curtailed and impaired but the ability of said banks to finance the allotment of said city and county of the impending third liberty loan also will be dangerously restricted: Now, therefore, be it

Resolved by the clearing-house banks of the city of Springfield, Ohio, and by the Manufacturers' Association of said city, in joint meeting assembled, as follows, to wit:

1. That it is our unanimous sentiment and conviction that adequate relief must be provided against the dangers and evils which will inevitably ensue from execution

This letter comes from a very substantial business firm:

Hon. S. D. Fess, M. C., Washington, D. C.

DEAR SIR: Under the terms of the Federal statute income and excess-profits taxes are required to be paid in a lump sum on June 15. Unless this requirement is modified so as to permit a distribution of these pay-ments over a considerable period of time in installments, the result may

In the absence of such an extension most of our large businesses will be required either to take the money out of working capital and reduce operation or to borrow the money from banks. Moreover, the men and business institutions who must be relied upon to absorb the great bulk of liberty bonds will not be in a position to purchase them and at the same time accumulate money for their taxes. Either one or the other must give way.

The impairment of the country's financial resources or the curtailment of industry at this time might seriously jeopardize the successful progress of the war.

While this company probably is in a position to pay its income and excess-profits taxes without injury or inconvenience, we think this statement does not apply to most of the larger companies, firms, or individuals. In writing you we are not speaking for ourselves so much as for the general good.

Very truly, yours,

The Dewey Bros. Co.

I here append a letter which I referred to Mr. KITCHIN, and also his answer:

THE TRANCHANT & FINNELL Co., Osborne, Ohio, March 1, 1918.

Hon. S. D. Fess, Washington, D. C.

Washington, D. C.

Dear Mr. Fess: We find there is an agitation on the part of the manufacturer and others who will have income and excess-profit taxes to pay to try and have the payment of same distributed over a considerable period of time in installments.

In the absence of such an extension a number of the larger firms will be required either to take the money out of working capital and reduce operations, or to borrow the money from the banks, and we believe on account of the tightness of money that it is a difficult matter for the banks to increase the line of credit to their depositors over what they are now loaning them. Moreover, the men and business institutions whose money has been relied upon to absorb a large number of liberty bonds will not be able to purchase them and at the same time accumulate money for their taxes. Either one or the other must give way.

If, on the other hand, payments may be made in installments extending over the latter half of the year by a natural process the Government will have time to redistribute this money in the regular channels of trade without a serious disturbance to business.

We kindly ask you to use your influence in bringing about the proper adjustment of this very important matter.

Courteously,

THE TRANCHANT & FINNELL CO., Per M. L. FINNELL.

WASHINGTON, D. C., March 8, 1918.

Hon. S. D. Fess.

House of Representatives, Washington, D. C.

Hon. S. D. Fess.

House of Representatives, Washington, D. C.

My Dear Mr. Fess: In reply to your letter of the 7th instant, inclosing a letter received by you from Mr. M. L. Finnell, president of the 7th instant of the 1th income and excess-profits taxes, I beg to advise that probably no single proposition involved in financing this war has received more careful attention and consideration than the question of extending the time of payment of the income and excess-profits taxes, which become due and payable on June 15, 1918. The war-revenue at became a law on October 3, 1917, and everyone has known since that time that these taxes will have to be met by June 15. The law also provided that these payments might be anticipated by turning in money monthly throughout the year and a credit of 3 per cent would be given for such advance payments. The Secretary of the Treasury has issued certificates of indebtedness bearing 4 per cent interest which taxpayers could buy and which could be used for the payment of these taxes. I am advised that about \$1,250,000,000 worth of such certificates have been sold for this purpose.

To extend the time of payment of these taxes only means that the Government will have to issue that many more bonds in order to meet its obligations coming due by June 15. It also makes the amount of money available for use by the Secretary of the Treasury uncertain and might place the Federal Government in a very hazardous position.

Personally, hoping that the time of payment could be extended. I have had several conferences with the Secretary of the Treasury with reference to this matter, and after considering all phases of the matter we have concluded that it will not be for the best interest of the Government to extend the time of such payments. I think the Ways and Means Committee is pretty well agreed that the extensions of the time of payment of these taxes would be inadvisable. If a business concern has a Government contract and is really performing a service that is useful to the conduct of

Mr. MADDEN. Mr. Chairman, I move to strike out the last two words. While we are on this income-tax collection I think it may be well enough to say that neither the Secretary of the Treasury nor the Commissioner of Internal Revenue have the power to make regulations for the payment of taxes in periods. The tax-payment period is fixed by law. Before the revenue law was passed the business public were very urgent in their demand for a provision which would authorize the payment of taxes quarterly, and that demand had two objects. One was that the banks should not be drawn against for so large an amount of money as will be required to pay the taxes at a particular date. Another was that most of the people engaged in business would have to borrow the money to pay the taxes, and it might be hard for the banks to accommodate them. Many gentlemen in the House thought there ought not to be quarterly periods of payment. I think one leading financial authority, the former chairman of the Appropriations Committee, Mr. Fitzgerald, offered an amendment to the revenue bill to provide that returns should be filed on a fixed day, and that checks should accompany the statements. Of course his advocacy of that proposition was based on the theory that every man who has a return to make always has a large bank account. But the reverse of that is true and is particularly true since the war began, for in all lines except lines directly connected with the war, business has fallen off, incomes have decreased, profits have dwindled, and losses have taken the place of profits in a large line of industrial institutions throughout the country, and that is going to happen to a greater and greater degree as the war proceeds, for all industries not essentially necessary for the war are going to find themselves without business. For, as the war needs grow greater, a larger percentage of our men will be called upon to engage in war activities either at the front or back of the lines, and a great many institutions of different kinds will go out of business. They are going out of business already. One of the most important business industries in the United States is the building trades. It ramifies into more activities than any other line of business, but in every place in the United States, except where a need is found for building construction in connection with the war, that line of industry has stopped, the men previously engaged in it are idle except those who have to find employment in the shipbuilding yards and in the construction of gun factories and similar institutions for the Government, and there are thousands of men, mechanics, trained in the art of building, who are out on the street looking for employment, and the men who formerly employed them are out on the street looking for a job themselves. We can not gauge what has happened to the country by lookingThe CHAIRMAN. The time of the gentleman has expired. Mr. MADDEN. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the

gentleman? [After a pause.] The Chair hears none.

Mr. MADDEN (continuing). At the rent rolls in Washington or the price of food in restaurants here or the charges of the hotels here and the difficulty in getting a place to sleep. is the only city in the United States that has profited by the war. All the other cities find themselves in a condition of distress caused by the war, and if those gentlemen who are responsible for the enactment of revenue laws have a care for the proper protection of the business of the country they will in the next revenue bill provide for periods of payment in quarterly installments of those taxes, because there is nothing more difficult to understand than the fact that men prosperous in other times are to-day on the ragged edge of despair. We have got to look the facts in the face. We have got to meet the situation as we find it and encourage the people, in every

undertaking in which it is engaged.

Mr. HAMLIN. Will the gentleman yield?
Mr. MADDEN. I will.
Mr. HAMLIN. Will not the gentleman join me in the wish, also, that in the next revenue bill all the present revenue laws will be combined-

way we can, to cooperate with the Government in the great

Mr. MADDEN. I should like to see that done. Mr. HAMLIN. So that the people could understand just how

they are taxed and for what?

Mr. MADDEN. I really used to think myself an expert accountant-so classed sometimes-but I have had great trouble to find out how to make my income-tax returns. The forms which are furnished upon which to make those returns are so complicated that it is hard to tell where to enter any particular item of income, and the law itself covers such a wide range of complications that often a lawyer is obliged to employ an expert accountant to figure out the intricate problems that must be solved in making out an income-tax return. I hope the wise men in this House, who are sitting on the Ways and Means Committee because of their wisdom and knowledge and experience, will take into account the fact that most of us laymen in the House are not as wise as they are and can not see as far through complicated problems as they can, and that the next legislation will be simplified so that an ordinary man will be able to understand it. Take notice, Brother Moore, that is what we are looking for.

Mr. MOORE of Pennsylvania. Mr. Chairman, I do not like my friend from Illinois to take advantage of the absence of the chairman of the Ways and Means Committee, who is now engaged on another revenue bill which may attract the attention of the gentleman even more than those hitherto passed

may have done

Mr. MADDEN. The revenue bill he is considering now, if he

is considering it, is one of the problems of the war.

It establishes a new corporation of \$500,000,000 capital and authorizes a board to be appointed by the President, formerly authorized to be appointed by the Secretary of the Treasury and discharged by him, and they may create obligations of \$4,000,000,000 more.

Mr. MOORE of Pennsylvania. There is an effort being made to prevent the wildcat business to which the gentleman refers

Mr. MADDEN. I am proud to say that the members of the Ways and Means Committee, both on the Republican and on the Democratic side, have been awake to the necessity of protecting the interests of the people in connection with the creation of this great corporation, and I congratulate them on the wisdom they have displayed up to now, and I hope that they will be able to take a broader view and display vision, and that they will see that nothing is done in which the people are not

properly protected.

Mr. MOORE of Pennsylvania. Does the gentleman at this time, with his vast experience, admit on the floor that he is not sufficiently expert to comprehend the revenue bills that are

brought out?

Mr. MADDEN. No man can understand the revenue bills that are on the statute books to-day—not even the Commissioner of Internal Revenue. He has had a board of special experts sitting as a court, or something, and they have not yet been able to enlighten him to the extent of enabling him to find out what the regulations should be; and so he has extended the period in which the returns shall be made from the 1st of March to the 1st of April. So even the wise men that have been sitting on this court—and I admit many wise men have been sitting on it, and some of vast experience-have not been able to fathom the difficult problems that are contained in the law, in this wonderful fabrication or system brought out in the

form of a revenue bill by the genius and the labor of the Ways and Means Committee of the House.

Mr. NORTON. Mr. Chairman, in connection with the internalrevenue lays, I want to say that I have received a letter this morning from the Commissioner of Internal Revenue, replying to an inquiry that I made, in which he stated that his office was getting out a ruling on the particular subject concerning which I made an inquiry and had not at that time decided just what the ruling as to the amount of income tax to be paid would be in the case of where a man who had a large number of cattle which he had bred and raised on his farm during the past five or six years sold all these cattle during the year 1917 and placed the proceeds of the sale in a bank on a time certificate of deposit. I particularly wanted to make an inquiry of the chairman of the subcommittee as to the cost of collecting income taxes and the internal-revenue taxes. Has the gentleman any figures showing the percentage of the cost of collecting internalrevenue taxes?

Mr. BYRNS of Tennessee. I will say to the gentleman that the Internal Revenue Commissioner stated that his estimate of cost for 1919 is fifty-six hundredths of 1 per cent, compared with ninety-five hundredths of 1 per cent in 1917. Answering further, I will state to the gentleman that in 1914 the collection of internal revenue cost 1.64 per cent. In 1916 the percentage of cost was 1.40 per cent, and in 1917 ninety-five hundredths of 1 per cent.

Mr. NORTON. How does that compare with the cost of the

collection of the income taxes?

Mr. BYRNS of Tennessee. The figures I have given to the gentleman are for all the taxes.

Including internal-revenue taxes and the in-Mr. NORTON. come taxes as well?

Mr. BYRNS of Tennessee. Yes. Mr. NORTON. Has the gentleman any figures showing a comparison of cost of the collection of the income taxes with the cost of collection of internal-revenue taxes?

Mr. BYRNS of Tennessee. I can not furnish the gentleman with that information. Of course the very large percentage of the taxes collected come from excess profits and from corporation and individual income taxes.

Mr. NORTON. The figures that the gentleman gives as to the cost in 1914 being 1.64 per cent and the estimated cost of 1919 being fifty-sixth hundredths of 1 per cent, of course, would not be a comparison that would be of any particular value, inasmuch as a large proportion of the taxes now are income taxes, whereas in 1914 they were chiefly internal-revenue taxes. If the gentleman had the figures, I wanted him to make a comparison between the cost of the collection of the internal-revenue taxes and the personal and corporation income taxes.

Mr. BYRNS of Tennessee. I will say to the gentleman that one difficulty in giving the exact figures or estimating the exact figures with reference to the collection of any particular tax lies in the fact that these tax collectors who were appointed are not altogether confined in their work to one particular phase of the tax. In other words, their duties are general in the collection district, and they may be engaged on income-tax work, and in the same county where they are working they may have something to do with the inheritance tax. This is done in the interest of economy. A different policy would require a much greater number of employees

Mr. NORTON. Is it the fact that the collectors of general internal-revenue taxes throughout the country also employ their services in the collection of income taxes? Is it the fact that those who are employed in the Internal-Revenue Bureau in the work of collecting general internal-revenue taxes also do work in connection with the collection of income taxes?

Mr. BYRNS of Tennessee. Yes. I have just explained that these collectors are not confined to looking after one particular form of tax

Mr. NORTON. From observations in my own section of the country I was led to believe that two sets of officials were employed in the work of collecting taxes. One set of these men look after the collection of income taxes and another set take care of the collection of general internal-revenue taxes.

Mr. BYRNS of Tennessee. To what taxes does the gentleman

refer when he says Internal-revenue taxes?

Mr. NORTON. Taxes such as stamp taxes, Government license fees, and all internal-revenue taxes other than those derived

from taxes on incomes and excess profits.

Mr. BYRNS of Tennessee. Of course there are storekeepers and gaugers who are concerned particularly with the collection of taxes on liquors.

Mr. NORTON. The income tax, of course, is an entirely different tax to the general internal-revenue taxes which were levied before the income-tax law was enacted.

The CHAIRMAN. The time of the gentleman has expired. The Clerk will read.

The Clerk read as fellows:

The Clerk read as follows:

For expenses of assessing and collecting the internal-revenue taxes, as provided in an act entitled "An act to provide revenue to defray war expenses, and for other purposes," approved October 3, 1917. including the employment of necessary officers, attorneys, experts, agents, inspectors, deputy collectors, clerks, junitors, and messengers in the District of Columbia and the several collection districts, to be appointed as provided by law, telegraph and telephone service, rental of quarters, postage, and the purchase of such supplies, equipment, mechanical devices, printing, stationery, law books and books of reference, and such other articles as may be necessary for use in the District of Columbia and the several collection districts, \$8,000,000: Provided, That not more than \$500,000 of the total amount appropriated herein may be expended by the Commissioner of Internal Revenue for detecting and bringing to trial persons guilty of violating the internal-revenue laws or conniving at the same, including payments for information and detection of such violations: Provided further, That not more than \$1,172,000 of the total amount appropriated herein may be expended in the Bureau of Internal Revenue, in the District of Columbia.

Mr. GREEN of Jowa. Mr. Chairman, I. move to strike out

Mr. GREEN of Iowa, Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa moves to strike

out the last word.

Mr. GREEN of Iowa. Mr. Chairman, I observe in this paragraph and in the preceding paragraph—also in some of the paragraphs following-that lump-sum appropriations are used to a large extent, as I understand, for the payment of employees who are not under civil-service rules. Let me, in that connection, ask the distinguished chairman of the committee whether the President could not, if he so desired, put these employees under civil-service rules?

Mr. BYRNS of Tennessee. Well, as I understand it, practically all these employees in this paragraph are under the civilservice rules, except the deputy collectors, and they were exempted by express provision of law, as the gentleman will recall, a year or two ago.

Mr. GREEN of Iowa. Yes; I remember that; and I also remember that the employees under the preceding paragraph were exempted by an express provision of law. But I had not supposed that that placed the matter beyond the control of the President.

However, I do not profess to be sufficiently well informed on that point to say positively whether the President could or could not place these employees under the civil-service rules, but it seemed to me that the time ought to have come when it is no longer necessary that we should, in the language of a former distinguished Secretary of State, feel compelled to provide "places for deserving Democrats" by exempting them from the civil-service rules. But as we go on and on in these appropriation bills we see the same policy that has manifested itself so often persists.

Now, so far as these persons who are employed to collect the income tax are concerned, if anybody ought to be under the civil-service rules they ought to be. If we are to continue to keep some of our departments under the civil-service rules, these employees should also be placed under them. Otherwise we ought to abolish the civil-service rules entirely and go back to the old system.

Of course it is too much to ask of this administration that it should be consistent. I find that gentlemen on the other side of the aisle, when they want to justify some act in kicking over the party traces, always find some declaration of the party leader or some act which they think constitutes a sufficient precedent, and I do not think they have very much difficulty in hunting up something of that kind.

When I was a young lawyer I was inquiring whether I had better purchase the New York Reports, and an old lawyer told me to do so by all means, because if I hunted long enough I would find any law I desired in any direction. Without attempting to determine whether that is the case with reference to the precedents supplied by the present administration. I might refer briefly to the figures which have been given by the distinguished gentleman from Tennessee as to the cost of collecting the revenue and the apparent justification of present methods, so far as the mere face of the figures is concerned. The percentage of cost has greatly decreased, as the gentleman quite correctly stated, but there is a very plain and obvious reason why it should be so. It costs no more to collect a million dollars of income tax from Mr. Rockefeller than it did to collect the comparatively small sum that was exacted of him before the income taxes were raised so high. That expense is trifling, and it costs but little more to run the whole internalrevenue machinery, comparatively speaking, since we have provided for these increased taxes. Now, we have raised the taxes everywhere. Larger amounts are required under the same circumstances without, of course, in any way increasing the expense of collection. Naturally the percentage of the cost of collection

has fallen. But this affords no justification for the unnecessary amounts which I think we are spending in salaries largely because they are fixed without reference to a decision of Congress under lump-sum appropriations. If there is no other way of bringing these parties under civil-service rules, the Committee on Reform in the Civil Service ought to get busy and Congress ought to get busy and bring these employees under the rules to which others holding similar positions are required to

The CHAIRMAN. The time of the gentleman from Iowa has

expired.

Mr. STAFFORD. Mr. Chairman, I wish to be recognized in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized.

Mr. STAFFORD. Mr. Chairman, the manner of the employment of these employees under the jurisdiction of the Commissioner of Internal Revenue for the collection of the income taxes, war excess-profits tax, and corporation taxes was given considerable attention during the hearings in the preparation of I inquired of the Collector of Internal Revenue as to what employees were exempted from the provisions of the civil-service law, and he said in reply to my question that special employees and deputy collectors were so excepted. asked him to state the amounts of money that are available for the employment of employees and the character of employees who are not under civil service and which he has authority to appoint. Mr. Roper replied. "I will insert that in the record," and following that is inserted a table on page 367 of the hearings, giving the total appropriation of \$14,800,000, which is available for the employment of employees by Mr. Roper and the collectors in the field that will not be under the civil service. He lists in that schedule salaries and expenses of collectors of internal revenue, total amount appropriated, fiscal year 1918, \$2,565,000; salaries and expenses of agents and subordinate officers of internal revenue, \$2,200,000; collecting the income tax, \$1,700,000; collecting the excess-profits tax, \$2,000,-000; collecting the tax on estates, munitions, etc., \$340,000; restricting the sale of opium, \$300,000; collecting the cotton-futures tax, \$20,000; collecting the war revenue, \$4,583,000; punishment for violating of internal-revenue laws, \$175,000: miscellaneous expenses Internal-Revenue Service, \$100,000.

Mr. Roper was very frank in answer to the queries put to him as to how this method was accomplished in evasion of the

civil-service law.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman

Mr. STAFFORD. I yield.

Mr. BYRNS of Tennessee. The gentleman does not mean to say that the Internal-Revenue Commissioner said that all the employees under these funds to which the gentleman alluded were appointed without the civil service?

Mr. STAFFORD. He did not say that all were, but I asked

him that plain question on page 367

Will you please state the amounts of money that are available for the mployment of any character of employees who are not under the civil ervice and which you now have authority to appoint?

Mr. BYRNS of Tennessee. The trouble with the gentleman is that he has not noticed the last column, in which the status of the employees are fixed. The only employees excepted are deputy collectors and district surveyors, and as a matter of fact the commissioner states that all the other employees are under

Mr. STAFFORD. I stated when I was interrupted by the chairman that Mr. Roper was very frank as to the way the civilservice law is gotten around in its operation by the department and the respective collectors. The collectors in the respective districts are privileged to appoint men without the civil service as special agents or deputy collectors, if they are to give bond, not to the department but to the collector. So the collectors in the respective districts, I assume, are now proceeding in that way, because I am receiving letters not only from my home district but from other parts of the country asking me to use my influence in the appointment of a deputy collector outside the civil service by writing to the local collector, which I have declined to do. Of course, the collectors select some of the faithful.

The CHAIRMAN. The time of the gentleman from Wiscon-

sin has expired.

Mr. STAFFORD. Mr. Chairman, I ask for five minutes more. The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. They select some one who has been recommended, I assume, by a political friend. The local collector gives him an appointment as a deputy collector, who is account-

able to him directly in the performance of his duty. Later on an examination is held for one of these positions covered by the civil service which, under the law, and for which these funds are available for appointment, are required to be civil-service appointees. If they qualify under the subsequent examination, show that they have the ability, then they are appointed; but the vice of that system is that the collector originally selects the men who may take the appointment, and then if they can qualify they are put into the civil-service list in a similar fashion to the way the post-office inspectors were appointed years ago, and are still appointed. That limits the appointment to those who have first been selected by the local collector and does not open it to the public generally to secure the best character of men. They are turned into permanent employment in the civil-service register provided they can meet the qualifications of the Civil Service Commission.

Mr. LINTHICUM. Will the gentleman yield?

Mr. STAFFORD. Yes.
Mr. LINTHICUM. I went into one of the largest bureaus in the city the other day and sought to have a party employed, and they told me that everything was under civil service; that they had had the right to put people on and afterwards give them a civil-service examination, but, he said, "I am not now getting the class of people that I was when I was able to select them myself."

Mr. STAFFORD. There have been criticisms made on the floor of the House in the past few days as to the department appointing people not within the civil service. There was an exigent condition that confronted the department by not having a sufficient number of employees to perform the necessary work, but I am calling attention to these places in the field, where high-grade men are required to enforce the law and protect the Government in the collection of the war revenue. I must say that I was surprised when I saw these big amounts running into millions open to the spoils system, and the Civil Service Commission say that they are in no position to overcome it when the collector appoints them as deputy collectors. Mr. Roper himself stated that the plan that was being followed all along the line was for the local collectors to designate the men for temporary appointment, and then if perchance they could qualify, go to the civil-service register in a different capacity. In two of the items alone—that for salaries and expenses of collectors and that for collecting the war revenue—the pending bill has increased the first appropriation by a million and the other by three and a half million, all available for the appointment of additional deputy collectors that may be appointed by the local collectors without regard to the civil service, and retain their places for all time, so long as the collector decrees, without civil-service examination. The Civil Service Commission have said that they are helpless. They have said that there are available civil-service lists of eligibles, and yet the local collectors are privileged under the practice now being indulged in to take these men outside, put them in temporarily, and then turn them over into another class or continue them temperarily in the employment as deputy collectors, provided that they can give bond. This is the most outrageous evasion of the civil-service law that has been called to my attention. This is the most outrageous evasion There are occasions when it is necessary to lift the civil-service requirements, as was the case when we needed a large temporary employment, but it is not necessary in this field. can not look for good administration of the all-important revenue laws, with their resulting revenue, aggregating hundreds of millions, when the force employed for its collection largely comprise political appointees.

Mr. LINTHICUM, Mr. Chairman, there is no man in this House who has been stronger for the civil service than I have been. When the provision omitting the deputy collectors from civil service was put in the bill by Congress some time ago I voted against it, and I have voted consistently against any encroachment on the civil-service system. The gentleman from Wisconsin seems to overlook the fact that these are extraordinary times, when it is absolutely impossible for the department to get the men from the civil-service list as fast as they are needed. The Civil Service Department has been unable to supply them. They have been taking men on the temporary list and afterwards letting them take the civil-service examination. If they pass they are continued, and if they do not pass they are separated from the service. It would have been absolutely impossible for the Government to perform the duties required since the war was declared if they had not taken these extraordinary steps. know that Mr. Roper told me not more than two days ago that he was unable to take any man now, except these deputy collectors, unless they came through the Civil Service Commission. Another head of a bureau told me that he could not take any-

body unless recommended by the Civil Service Commission, and he said, in addition to that, that he was sorry for it, because when he had the selection in his own hands and would afterwards let them take the examination he got a whole heap better people than he is getting to-day, because he had a larger field to draw from and could make his own selections of men well fitted for the position. I do not think the .riticisms of the gentleman as to what is being done at the present time are fair. Certainly, as one gentleman said previously about deserving Democrats, I have not found that the department is asking any questions about what a man's politics are, or what his people's politics are. They want good people who can perform the service, and in taking people and asking for these places I have never even known their politics, but I have endeavored to give the department good people whenever I could recommend them, regardless of what their politics were. The Government needs good men, there are positions for all fit men whether Democrats or Republicans.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman vield?

Mr. LINTHICUM. Yes. Mr. MOORE of Pennsylvania. Mr. Chairman, I am curious about what seems to be an inconsistency in this matter. raised the question with the gentleman from Tennessee [Mr. BYRNS] the other day. In the bill before us we find that when we come to the employment of clerks for Congressmen, or for those who are to give service round about the House of Representatives, for instance, every man is detailed, every item of salary is carefully set out and scrutinized, but when we come to the expenditure of \$16,000,000 in the aggregate, we pass it over to the Collector of Internal Revenue in a lump sum so that there can not be any scrutiny on this floor or any point of order as is constantly made in other cases.

Mr. LINTHICUM. I would say in reply, that the explanation of the gentleman from Kentucky [Mr. Sherley], the chairman of the Committee on Appropriations, which he made the other day amply explains that. There is a very good reason for it If you put these people on the rolls with a salary attached, and make it the law, they will continue on after the war is over, but if you give a lump sum we have a chance after the war is over of separating some of them from the Government employ. I do not know how many will be separated, as I have always found that very few of them want to give up their jobs, but we will be able to discontinue them after the war is over.

Mr. CAMPBELL of Kansas. It would be almost as hard to separate clerks from the Government employ as to discontinue

these Subtreasuries.

Mr. LINTHICUM. I do not think you are going to discontinue the Subtreasuries, because they are so useful to the United States and to the cities where they are situated that I do not believe Congress will be so mean as to discontinue them.

Mr. MOORE of Pennsylvania. Is it not a fact that the Subtreasuries are so hedged about that every dollar spent on them

is known and scrutinized?

Mr. LINTHICUM. Why, certainly. You take the Subtreasury in Baltimore, which does a business of \$314,000,000, and all

it costs the Government is \$31,500 a year.

Mr. BYRNS of Tennessee. Mr. Chairman, the trouble with the remarks of the gentleman from Wisconsin [Mr. Stafford] is that they are based on incorrect premises. As a matter of fact, every person employed in the collection of internal revenue is under the civil service except the collectors themselves, who are appointed by Executive authority, the deputy collectors, and special employees, who can not be appointed for a period exceeding six months, and are only appointed when the needs of the service require it.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. In just a moment. That statement was very clearly set forth by the Internal Revenue Commissioner in his statement. He stated that even in the case of deputy collectors, where the collectors are empowered under express provision of law to make the appointment without regard to the civil service, he had in all cases instructed the collectors to observe and follow the civil-service rules and regulations in making the appointments. In other words, his instructions were to the collectors not to appoint any man as a deputy collector who could not qualify under the civil-service rules and regulations in respect to the experience he had had in bookkeeping and the other various qualifications requisite for a civil-service appointee.

Mr. STAFFORD. The gentleman does not mean by that statement that they were on the civil-service eligible list at the

time of their appointment?

Mr. BYRNS of Tennessee. I do not, and I did not say so. My statement was that in making these appointments outside of the civil service the Internal Revenue Commissioner stated that the collectors were instructed not to appoint a person who could not, if required, qualify under the civil-service rules and

Mr. STAFFORD. I assume that has always been the representation when they have had the spoils system established in

full force—that they were able to qualify if necessary.

Mr. BYRNS of Tennessee. The gentleman knows more about the spoils system than I do, because his party was in power for

a very long number of years.

Mr. STAFFORD. I think the Republican Party has a more consistent policy in regard to the civil service than has the gentleman's party, because under its administration we passed legislation requiring that all employees should be under the civil service, but here in the field service which is now being established as a political machine, there are more exempted from the civil service than ever before.

Mr. BYRNS of Tennessee. The gentleman is simply repeating the errors that he made in his statement a while ago. The facts are, and I repeat, that the Commissioner of Internal Revenue stated that every one in the employ of the Internal-Revenue Service is under the civil service and required to take the civilservice examination except these deputy collectors who are exempted by express provision of law, and the special employees, who can not be appointed for a period exceeding six months.

Now, the gentleman has referred to the table printed on page

367 of the hearings

Mr. STAFFORD. Will the gentleman yield in that particular before he proceeds on that line? Does not the gentleman remember that Mr. Roper testified to the fact that the way these deputy collectors got under the civil-service protecting arm of the Government was that the local collectors first appointed the men and then later they took the civil-service examination, and if they were able to qualify they were taken into the service in other grades?

Mr. BYRNS of Tennessee. Oh, certainly; if they take the civil-service examination. They are not precluded from taking the civil-service examination and securing a civil-service status

after their appointment.

Mr. STAFFORD. Only those were able to take the civilservice examination who had first been designated by the local

collector. That is the testimony.

Mr. BYRNS of Tennessee. I beg to differ with the gentleman very positively on that point. I have in mind, I will say to the gentleman, one individual who has never been a deputy collector but who took the civil-service examination and made one of the highest grades, and he was appointed only the other day by reason of the fact that he stood at the top of the eligible list.

Mr. STAFFORD. To what position?

Mr. BYRNS of Tennessee. As an income-tax collector.

Mr. STAFFORD. But not a deputy collector, which is outside of the civil service.

Mr. BYRNS of Tennessee. I have never contended that deputy collectors were appointed under civil service.

Mr. STAFFORD. That brings the question I wished to ask the gentleman originally. How many deputy collectors are there in the service who are not under civil service

The CHAIRMAN. The time of the gentleman has expired. Mr. BYRNS of Tennessee. Mr. Chairman, I ask for three minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Now, Mr. Chairman, I do not want to consume the time of the committee, but the gentleman from Wisconsin in his remarks a few moments ago referred to a table which was submitted by the Internal Revenue Commissioner at his request and is printed on page 367 of the hearings. He read from that table, but the gentleman unintentionally. I am sure, overlooked the material facts contained in that table, and that is the last column of the table which shows the status of the employees so enumerated. This table undertakes to set forth all the employees under the lump sums carried in the current law, and then in the last column of the table the internal-revenue collector designates those who were appointed under the civil service and those appointed outside of the civil service, and in order that the House may understand just how these employees are appointed I ask unanimous consent to extend my remarks by printing the table referred to.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the Record. Is there

objection? [After a pause.] The Chair hears none.

The table is as follows:

Appropriations.	Total amount of appropria- tion, fiscal year 1918.	Statutory amount available for bureau and stationery.	Designation.	Status.	
Salaries and ex- penses of collect- ors of internal revenue.	\$2,565,000	None	Collectors Deputy collectors Clerks Janitors Messengers District surveyors	Executive appointment. Excepted. Civil service. Do. Do. Excepted.	
Salaries and ex- penses of agents and subordinate officers of inter- nal revenue.	2,200,000	None	Revenue agents Storekeeper-gauger Gaugers and special gaugers. Deputy collectors Inspectors	Allcivilservice with excep- tion of dep- uty collectors appointed by collectors.	
Collecting the income tax.	} 1,700,000	\$40,000 bu- reau. \$32,000 sta- tionery.	Agents Inspectors Deputy collectors Clerks Messengers Agents	All civil serv-	
Collecting the excess-profits tax, etc.	2,000,000	\$175,000 bu- reau. \$10,000 rent	Inspectors Attorneys Deputy collectors Clerks Messengers Janitors	All civil service with exception of attorneys.	
Collecting the tax on estates, mu- nitions, etc.	340,000	(\$40,00) bu- reau.	Experts. Agents. Agents Inspectors Deputy collectors Clerks. Messengers Janitors. Necessary officers.	All civil service.	
Restricting the sale of opium.	} \$300,000	Not limited.	Agents Inspectors Deputy collectors Chemists Assistant chemists Clerks	All civil service.	
Collecting the cot- ton-futures tax.	} 20,000	None	Messengers Attorneys Agents Inspectors Deputy collectors Clerks Messengers	All civil service with excep- tion of attor- neys.	
Collecting the war revenue,	} 4,583,000		Attorneys Experts. Agents Inspectors. Deputy collectors. Cierks. Janitors. Messengers	All civil service with excep- tion of attor- neys and deputy col- lectors ap- pointed by	
Punishment for violation of in- ternal-revenue laws.	175,000	None	Necessary officers Special employees	Civil service if employed over six months.	
Miscellaneous expenses, Inter- nal-Revenue Service.	100,000	\$14,000 sta- tionery.	None	None.	

Mr. STAFFORD. Will the gentleman yield before he takes his seat?

Mr. BYRNS of Tennessee. My time has expired.

Mr. STAFFORD. Mr. Chairman, I ask that the gentleman's time be extended two minutes.

The CHAIRMAN. Is there objection? [After a pause.] The

Chair hears none.

Mr. STAFFORD. Can the gentleman give the committee in-Mr. STAFFORD. Can the gentleman give the committee information as to the number of deputy collectors who are paid from this \$15,000,000 appropriations or the amount of money that is paid to them. I asked that question of the Commissioner of Internal Revenue, Mr. Roper, and he failed to incorporate it in the hearings, as he said he would. A large amount of this appropriation is paid to deputy collectors. That is the way

they are being appointed to-day outside of the civil service.

Mr. BYRNS of Tennessee. Now, if the gentleman will turn to page 412, and subsequent pages of the hearings, extending down to and including page 417, he will find a specific, definite statement from the Internal Revenue Commissioner giving that information. I have not the time to count them up, but the gentleman can do that.

Mr. STAFFORD. I ask unanimous consent to insert in the

RECORD at this point—
The CHAIRMAN. The gentleman from Tennessee has the

Mr. STAFFORD. I assumed he yielded to me for that pur-

The CHAIRMAN. Does the gentleman from Tennessee yield?

Mr. BYRNS of Tennessee. I yield the floor.
Mr. STAFFORD. Mr. Chairman, I move to strike out the last two words. I ask unanimous consent that there may be printed in the RECORD at this point a list of the deputy collectors under these various appropriations, as shown in the respective pages of the hearings referred to by the gentleman from Ten-

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD by including the list of deputy collectors. Is there objection. [After a pause.] The Chair hears none.

The list referred to is as follows:

Statement showing present allowances to collectors of internal revenue

Designation.	Number.	Salary.	Travel- ing expenses.	Total per annum rate.
SALARIES AND EXPENSES OF COLLECTORS OF INTERNAL REVENUE.				
Deputy collectors	8	P1 600	\$800	P10 000
Do	1	1,600	720	\$19,200 2,320
Do	8	1,600	600	2,320 17,600
Do	1	1,600	500	2,100
Do	1 4	1,600	400 300	7,600
Do	3	1,600	250	5,550
Do	1	\$1,600 1,600 1,600 1,600 1,600 1,600 1,600	240	2,100 2,000 7,600 5,550 1,840
Do	3	1,600	200 150	1,750
Do	1	1,600 1,600 1,600	100	1,700
Do	9	1,500 1,500 1,500	1,200 1,000	1,840 1,750 1,750 24,300 32,500 19,200 6,900 6,300 2,000 3,400
Do	8	1,500	900	19, 200
Do	8 3	1,500 1,500	800	6,900
Do	3	1,500	500	6,300
Do	2 1	1,500 1,500	200	3,400
Do	1	1,500 1,500	120	
Do	3 3	1,500	100	4,800
Do	1	1,450 1,400	1,400	4,440 2,800
Do	1 12	1,400	1,350	2,750
Do	21	1,400 1,400	1,200	50,400
Do	20	1,400	1,400 1,350 1,200 1,000 900	46,000
Do	9	1,400 1,400	800 720	19,800
Do	4	1,400	700	2,800 2,750 31,200 50,400 46,000 19,800 2,120 8,400 2,050
Do	1	1,400	650	2,050
Do	12	1,400 1,400	600 540	1,940
Do	9	1,400	500	17, 100
Do	1 2	1,400	480 450	1,880 3,700 21,600 1,760 1,750 1,720 34,000 6,600 17,600 7,750 6,080
Do	12	1,400	400	21,600
Do	1	1,400	360	1,760
Do	1	1,400	350 320	1,750
Do	20	1,400 1,400	300	34,000
Do	11	1,400 1,400	250 200	6,600
Do	5	1,400	150	7,750
Do	4	1,400	120	6,080
Do	29 4	1,400 1,400	100 75	43,500 5,900 2,920
Do	2	1,400	60	2,920
Do	1 1	1,400	50 25	1,450
Do	1	1,400 1,350 1,350 1,350	1.100	1,425 2,450 7,050
Do	3	1,350	1,100 1,000	7,050
Do	4	1,300	1 400	5,700 2,700
Do	5	1,300	1,400 1,200 1,000	5,700 2,700 12,500
Do	32	1,300 1,300	1,000	73,600
Do	18	1,300	900	2,260 39,600
Do	2	1,300	840	4,280
Do	29 10	1,300 1,300	800 720	60,900 38,380
Do	8 3	1,300	700	16,000
Do	3 9	1,300	650 600	5,850 17,100
Do	2	1,300	500	3,600
D0	1	1,300	480	1,780
Do	2	1,300	450	3,500 1,700
Do	1	1,300	375	1,675
Do	2	1,300	360	3,320
Do	3 2	1,300 1,300	350 300	4,950 3,200
Do	2	1,300	250	3, 100
Do	1 1	1,300 1,300	240 200	1,540 1,500
Do	2	1,300	150	2,900
Do	1 3	1,300	120 100	1,420
Do	1	1,300 1,300	75	4,200 1,375
Do	2	1,300	30	2,660
Do	1 8	1,300 1,200	1,200	1,320 19,200
Do	15	1.200	1,000	33,000
Do	17	1,200	900	35,700

Statement showing present allowances to collectors of internal revenue under the several internal revenue appropriations—Continued,

Designation.	Number.	Salary.	Travel- ing expenses.	Total per annun rate.
SALARIES AND EXPENSES OF COLLECTORS				
OF INTERNAL REVENUE-continued.		III	2000000	
Deputy collectors	1 8	\$1,200 1,200	\$840 800	\$2,04
Do	3	1,200	720	16,00 5,76
Do	4	1,200	700	7,60 16,20
Do	9 3	1,200	600	16,20
Do	1	1,200	200 480	5,10 1,68 3,12 9,00 1,45 2,88 1,40 1,35 1,35 1,32 2,55 2,55 2,40 1,70 3,20 4,65 2,90 2,70 1,23
Do	2 6	1,200	360	3,12
Do		1,200	300	9,00
Do	1 2	1,200	250 240	1,45
Do	2	1,200	200	1,40
Do	1 1	1,200	150	1,35
Do	9	1,200	120 100	11, 70
Do	2	1,200	75	2,55
Do	2 1	1,200	60 50	2,52
Do	2	1,200	30	2, 466
Do	2	1,100	€00	1,700
Do	2 3	1,100 1,100	500 450	3, 20
Do	2	1,100	350	2,900
Do	2 2 1	1,100	250	2,700
Do	1	1,100 1,100	150 100	1, 250
Do	1	1,100	75	1, 200 1, 170 2, 200 2, 150 1, 060 2, 100 2, 050 3, 000
Do	2 2	1,000	100	2, 20
Do	1	1,000	75 60	2,150
Do	2	1,000	50	2, 100
Do	2 2 3	1,000	25	2,050
Do	3 1	900	100	0,000
Do.	î	900	50	960 950
Do	1	720	CO	780
Do	1 1	600 600	120 50	720
Do	2	€00	30	1.200
Do	1	. 500	100	1,260
Do	1	500 500	78	578
Do	1	500	co	578
Do	1	400	36	436
Do	2 2	200	50	700
Do	3	300 200	36	672 990
Do	î	300	24	324
Total	1,446			2,449,303
COLLECTING THE WAR REVENUE.				
Peputy collectors	1	3,000		3,000
Do	2	2,750		5,500
Do	1 3	2,400		2,400 6,600
Do	9	2,750 2,400 2,200 2,000		18,000
Do	1	1,200		1,900
Do	5 6	1,800 1,700		9,000
Do	22	1,000		11, 200 35, 200
Do	1	1,070		1,570
Do	34 189	1,500		51,000 264,600
Do	1	1,375		1 27
Do	20	1,350		1,350 37,700 2,520 2,500
Do	2	1,300		37,700
Do	2	1,250		2,500
Do	363	1,200		300,000
Do	28	1,100 :		30,800 77,000
	77	1 000		
Do	28 77 1	1,375 1,350 1,300 1,230 1,250 1,200 1,100 1,000 990		990
Do	52	900		28, 800
Do	1 52 2	900 840		28, 800
Do	1 52 2 2 2	900 840 800 750		28,800 1,680 1,000
Do	1 52 2 2 2 2 3	900 840 800 750 720		990 28,800 1,680 1,000 1,500 2,160
Do.	1 52 2 2 2 2 2 3 2 1	500 840 800 750 720 660		990 28,800 1,680 1,000 1,500 2,160 1,320
Do	1 52 2 2 2 2 2 3 2 1	500 840 800 750 720 660	1,200	990 28,800 1,680 1,000 1,500 2,160 1,320
Do.	1 52 2 2 2 3 2 1 2 1	500 840 800 750 720 660	1,200 1,000	990 28,800 1,680 1,000 1,500 2,160 1,320
Do.	1 52 2 2 2 2 3 2 1 2 1	500 840 800 750 720 660	200	990 28,800 1,680 1,000 1,500 2,160 1,320
Do.	1 52 2 2 2 3 2 1 1 1	500 840 800 750 720 660	50	990 28,800 1,680 1,000 1,500 2,160 1,320
Do.	1 2 2 2 2 3 2 1 1 1 1	900 840 800 750 720 660 (000 2,000 1,800 1,800 1,750 1,600	50 1,200 1,200	990 28,800 1,680 1,000 1,500 2,160 1,320
Do.	1 2 2 2 2 2 2 2 2 2 1 2 1 1 1 1 1	900 840 800 750 720 660 600 2,000 1,800 1,800 1,750 1,600 1,600	50 1,200 1,200 1,000	990 28,800 1,680 1,000 1,500 2,160 1,320
Do.	1 2 2 2 2 3 2 1 1 1 1	\$60 \$40 \$40 \$50 750 720 \$60 \$60 \$7,000 \$1,800 \$1,800 \$1,750 \$1,600 \$1,600 \$1,600 \$1,600 \$1,600	1,200 1,200 1,000 800	990 28,800 1,680 1,000 1,500 2,160 1,320
Do.	1 52 2 2 2 2 2 2 2 2 1 1 1 1 1 2 5 5 5 1	\$60 \$40 \$40 \$50 750 720 \$60 \$60 \$7,000 \$1,800 \$1,800 \$1,750 \$1,600 \$1,600 \$1,600 \$1,600 \$1,600	50 1,200 1,200 1,000 800 600 200	99. 28, 806 1, 630 1, 600 1, 505 2, 160 6, 400 2, 800 2, 800 1, 850 2, 935 5, 600 13, 000 7, 200 11, 000
Do.	122222221211112555515	900 840 840 750 720 660 600 2,000 1,800 1,800 1,750 1,600 1,600 1,600 1,600 1,600	50 1,200 1,200 1,000 1,000 80) 600 200	99.28,806 1,630 1,600 1,500 2,160 1,320 6,400 2,800 2,800 1,850 2,955 5,600 13,000 7,200
Do.	12222223211211125535154	900 840 840 750 750 720 660 600 2,000 1,800 1,800 1,750 1,600 1,600 1,600 1,600 1,600 1,500	200 50 1,200 1,200 1,000 80) 600 200 100 1,200	993, 800 1, 680 1, 600 1, 500 2, 100 6, 400 2, 800 2, 800 1, 850 11, 900
Do.	1 52 2 2 2 2 3 2 1 1 1 1 1 1 2 5 5 5 5 4 1 8 39	900 840 800 750 720 960 600 2,000 1,800 1,800 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,500 1,500	200 1,200 1,200 1,000 800 600 200 1,000 1,200 1,200 1,000	993, 800 1, 680 1, 600 1, 500 2, 100 6, 400 2, 800 2, 800 1, 850 11, 900
Do.	1 2 2 2 2 2 3 3 2 2 1 1 1 1 1 2 5 5 4 18 18 19 19 19 19 19 19 19 19 19 19 19 19 19	\$60 \$60 750 720 \$60 (60 (70 1,800 1,800 1,600 1,600 1,600 1,600 1,600 1,500 1,500 1,500 1,500	200 50 1,200 1,200 1,000 803 600 200 100 1,200 1,000 803 600 200 1,000	993, 800 1, 680 1, 600 1, 500 2, 100 6, 400 2, 800 2, 800 1, 850 11, 900
Do.	1 2 2 2 2 2 3 2 1 1 1 1 1 1 2 5 3 5 5 1 5 1 1 1 1 1 5 1 1 1 1 1 1 1 1	900 840 800 750 720 960 6,000 1,800 1,800 1,800 1,600 1,600 1,600 1,600 1,600 1,600 1,500 1,500 1,500 1,500 1,500	200 1, 200 1, 200 1, 000 80.0 600 200 100 1, 200 1, 000 800 500 200	99.0 28,800 1,6%1 1,000 1,56%2 2,166 6,400 2,000 2,800 2,900 1,850 5,600 2,13,000 1,800 1,800 2,139,700 2,139,700 2,139,700 2,000 2,139,700
Do.	1 2 2 2 2 2 3 2 1 1 1 1 1 1 2 5 3 5 1 5 1 5 1 8 1 8 1 8 1 8 1 8 1 8 1 8 1	\$60 \$60 750 720 \$60 \$60 \$1,800 \$1,800 \$1,600 \$1,600 \$1,600 \$1,600 \$1,600 \$1,600 \$1,600 \$1,500	200 1, 200 1, 200 1, 200 1, 000 803 600 200 100 1, 200 1, 000 803 600 200 1, 000 803 600 200 1, 200 1, 200 1, 200 1, 200 1, 200 200 200 200 200 200 200 200 200 200	99.0 28,800 1,6%1 1,000 1,56%2 2,166 6,400 2,000 2,800 2,900 1,850 5,600 2,13,000 1,800 1,800 2,139,700 2,139,700 2,139,700 2,000 2,139,700
Do.	1 2 2 2 2 2 3 2 1 1 1 1 1 2 5 3 5 1 5 1 5 1 1 5 1 5 1 5 1 5 1 5 1 5	\$60 \$60 750 720 660 600 2,000 1,800 1,800 1,600 1,600 1,600 1,600 1,600 1,500	200 1, 200 1, 200 1, 200 1, 000 800 200 1, 200 1, 200 1, 200 200 200 200 200 1, 200 200 1, 200 200 1, 200 200 1, 200 200 1, 200 1, 200	993, 800 1, 680 1, 600 1, 500 2, 100 6, 400 2, 800 2, 800 1, 850 11, 900

Statement showing present allowances to collectors of internal revenue under the several internal revenue appropriations—Continued.

. Designation.	Number.	Salary.	Travel- ing expenses.	Total per annum rate.
COLLECTING THE WAR REVENUE-con.				
Deputy collectors Do.	4 24 · 1 1 1 7 7 1 1 2 2 4 1 1 1 3 3 2 1 2 3 3 1 1 1 1 1 1 1 1 1 1	\$1,400 1,400 1,400 1,400 1,400 1,400 1,400 1,400 1,400 1,300 1,300 1,300 1,300 1,200	\$900 \$000 570 600 570 450 400 350 100 700 600 350 120 600 600 600 600 600 600 600 6	\$9,200 52,800 2,100 2,000 1,929 13,200 1,820 1,820 2,200 2,200 2,200 2,200 1,550 1,420 2,030 1,500 1,100
Total	1,903			3,508,010

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Young, one of its clerks, announced that the Senate had passed without amendment bill of the following title:

H. R. 175. An act to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915, and for prior years, and for other purposes."

The message also announced that the Senate had passed bill

of the following title, in which the concurrence of the House of Representatives was requested:

S. 3700. An act for the relief of John McW. Ford.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

The Clerk read as follows:

Restricting the sale of opium, etc.: For expenses to enforce the provisions of the act approved December 17, 1914, entitled "An act to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon, all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or cocoa leaves, their salts, derivatives, or preparations, and for other purposes," including the employment of agents, deputy collectors, inspectors, chemists, assistant chemists, clerks, and messengers in the field and in the Bureau of Internal Revenue in the District of Columbia, to be appointed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, and for the purchase of such supplies, equipment, mechanical devices, and other articles as may be necessary for use in the District of Columbia and the several collection districts, including not to exceed \$4 per diem in lieu of subsistence, \$325,000.

Mr. MOORE of Pennsylvania, Mr. Chairman I move to strike.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. With respect to the opium item, was there any testimony before the committee showing that there was an

increase in the use of narcotics?

Mr. BYRNS of Tennessee. There were no statements made as to increase, except in a general way showing that there was a need for an additional number of employees. I will state to the gentleman that the commissioner stated:

Many requests from various parts of the country are received asking that assistance be rendered in preventing traffic in narcotic drugs, and this condition has been intensified due to congestion in the cities and elsewhere on account of war conditions.

I think that answers the gentleman.

Mr. MOORE of Pennsylvania. It does; but I would like the gentleman to listen to this brief statement. I have been informed the opium and drug habit has been on the increase, and particularly in some of the large cities and within the environments thereof, and it has been charged that this increase has come along very largely in consequence of the prohibitory laws with respect to the sale of liquor. Is there any testimony before the committee along that line?

Mr. BYRNS of Tennessee. There was not. The committee

made no inquiry along that line.
Mr. MOORE of Pennsylvania.

A very careful and conscientious judge of my city has indicated recently that there has been an increase in the number of addicts who appear before him. I have been informed also that there have been increased activities in the department.

Now, Philadelphia is a large city and prohibition has not yet

struck it. But if the dope habit is growing—
Mr. LINTHICUM. How large is Philadelphia?

Mr. MOORE of Pennsylvania. It is about four times the size of Baltimore. [Laughter.]

Mr. LINTHICUM. Baltimore has nearly a million people. What is the size of Philadelphia?

Mr. MOORE of Pennsylvania. It is still growing, and the suggestion is that a great many of these addicts are coming from suburbs like Baltimore to Philadelphia.

Mr. LINTHICUM. They do not have to come over there

Mr. MOORE of Pennsylvania. They do not; but they drift into Baltimore for wet goods from dry territory, and after smoking a few cigarettes and taking a cocktail they get into

the opium habit.

I am satisfied to vote for a larger appropriation to stamp out this evil, but I want to call the attention of the committee to the fact that the reports indicate that the habit is growing. How do they get this stuff? It may be due to a lack of vigilance on the part of the officers charged with the administration of the antinarcotic law, or it may be that the law itself is inefficient. At any rate, it is a serious problem and one that affects the morale of our communities.

Mr. STEVENSON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. STEVENSON. I will state that there was a very large percentage of our population addicted very largely to nar-cotics in the South—the colored people—and the addiction to drugs has been very greatly diminished by the passage of this law, notwithstanding the fact that we have made that territory bone dry at the same time. It was a great scourge amongst the colored people, and it has been very materially reduced.

Mr. MEEKER. Will the gentleman yield?

Mr. STEVENSON. I will.

Mr. MEEKER. I wanted to know whether or not the gentleman would like to say here now that the illicit distilling is decreasing in his territory?

Mr. STEVENSON. I do not think it is increasing in my ter-

ritory.

Mr. MEEKER. You are willing to let that statement stand,

are you?

Mr. STEVENSON. It is not increasing, but it is because of the vigilance of the officers. The cupidity of the human family would make it increase if we did not catch the offenders, but we catch them down there.

Mr. MEEKER. I wanted to get you on record as to that. Mr. MOORE of Pennsylvania. I hope the enforcement may be brought about as effectively in one section of the country as it is in another.

I withdraw the pro forma amendment.

The Clerk read as follows:

The Clerk read as follows:

The Secretary of the Treasury is authorized and directed to discontinue the offices of the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco within six months after the President shall have proclaimed the termination of the existing state of war between the United States and Germany; and section 3595 of the Revised Statutes of the United States is repealed from and after the discontinuance of the said offices. The Secretary of the Treasury further is authorized to retain only such of the employees in the offices of the assistant treasurers as may be necessary to safeguard the property and funds of the United States and to transfer to Washington to the office of the Treasurer of the United States such others as in his judgment may be necessary in connection with the discontinuance of the said offices.

Mr. LGOE. Mr. Cheirmen T. Imake a point of said offices on the

Mr. IGOE. Mr. Chairman, I make a point of order on the

Mr. BYRNS of Tennessee. On what ground?

Mr. IGOE. I make the point that it changes existing law. Mr. MOORE of Pennsylvania. Mr. Chairman, is the gentle-

man from Missouri [Mr. IGOE] intending to make a speech on this subject?

Mr. IGOE. I think the point of order is so well taken and so apparent that I did not suppose it was necessary to argue the matter. I suppose the chairman will oppose the point of order.

Mr. BYRNS of Tennessee. I think so. This amendment, I insist, is in order under the so-called Holman rule, since it serves to retrench expenditures. I am not going to discuss the matter at any length, because I recognize the fact that the present Chairman has heretofore had occasion to construe that rule and its application and has delivered a very able opinion upon the subject, which will be found in the Manual, on page 507. The Chairman is recognized as one of the very ablest parliamentarians of this body, and therefore it is not necessary for me

to do more than call attention to this ruling. This ruling, if the Chair pleases, was made on an amendment offered to the military appropriation bill by the chairman of the Committee on Military Affairs, who at that time was Mr. Hay, of Virginia, by which he sought to reduce the number of Cavalry regiments from 15 to 10, there being nothing in the bill to show that it meant retrenchment of expenditures except the fact that the number of regiments was reduced from 15 to 10. As I have stated, the Chairman acting then as he is now, delivered an exhaustive opinion upon the subject, in which he held that it was not necessary for the bill to show specifically upon its face that it did serve to retrench expenditures. I quote from a portion of that opinion, as follows:

The words "amounts of money covered by the bill" refer not only to the amounts specifically appropriated by the bill but to the amounts required under the different heads or items of expense to which the bill relates. And if the necessary effect of an amendment is to reduce, in the operation of the departments or bureaus for which appropriations are made, the amount otherwise required for any one or more heads or items of expense, then a retrenchment has been effected by a reduction of the amounts of money covered by the bill.

And further on the Chair said:

But it is not necessary for this conclusion of reduction to be established with the rigor and severity of a mathematical demonstration. It is enough if the amendment, in the opinion of the Chair, will fairly operate by its own force to retrench expenditures in one of the three ways indicated. This result must be a necessary result, not a conjectural result or a problematical result.

Mr. COADY. Will the gentleman yield?

Mr. BYRNS of Tennessee. In just a moment.

I quote further:

It is true that, having reference to the difference of minds, one chairman might hold that retrenchment would be the necessary result of an amendment, while another chairman or the committee on appeal might be of a different opinion. But this is inevitable.

Clearly, Mr. Chairman, if this amendment is adopted it will result in a reduction of more than \$600,000 in expenditures, because that is the sum that is appropriated for these nine Subtreasuries.

Mr. COADY. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. COADY. Where is there any language in that section that justifies the gentleman in making the statement that he just has made, that it will save \$600,000? Does not this section authorize the Secretary of the Treasury to retain all these men?

Mr. BYRNS of Tennessee. Not all of them. It authorizes

him to retain-

Mr. COADY. Such number as he may deem necessary.

Mr. BYRNS of Tennessee. Such employees as he may deem necessary

Mr. COADY. He may deem all of them necessary. Mr. BYRNS of Tennessee. That is not the total expense of the Subtreasuries. There is the expense of rent, of heat and light, and water, and all those accessories that are necessary to maintain them. And, in addition to that, there is the specific saving of the salaries of nine assistant treasurers, who get \$4,500

Mr. COADY. Not necessarily so. The Secretary of the Trensury may deem it necessary to employ more men, and he would

be authorized to do it under that section. Mr. BYRNS of Tennessee. This section refers to civil-service employees. It does not refer to the nine assistant treasurers

who are appointed by executive authority Mr. LINTHICUM. Mr. Chairman, will the gentleman yield

for a question?

Mr. COADY. Is it not true that most of these Subtreasuries are in Government buildings?

Mr. BYRNS of Tennessee. Probably all of them are.

Mr. COADY. Then how would it save rent and light and heat and janitor service if they are in Government buildings?

Mr. BYRNS of Tennessee. If they were not needed for this purpose, they could be used for some other purpose, and such expenses would be charged to other appropriations and not to

Mr. COADY. That is a mere speculation.

Mr. BYRNS of Tennessee. And if they were vacated they would not need light, heat, and water. But I am willing to waive that, if it disturbs the gentleman, and rest it upon the statement that the adoption of this amendment would absolutely save the Government the salaries of nine assistant treasurers at \$4,500 a year each.

Mr. DUPRÉ. Mr. Chairman, will the gentleman yield for a question?

Mr. BYRNS of Tennessee. I yield.

Mr. DUPRÉ. I want to know when will the saving take Do you know when six months after the war will be?

Mr. BYRNS of Tennessee. I hope very soon. I can not state exactly.

Mr. DUPRÉ. I will send you across. [Laughter.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I call attention to the fact that every one of these officers is authorized by statutory law, and that there is a well-known method recognized in this House and elsewhere to change statutory law. known under the rules that while the Committee on Appropriations has authority to report appropriations, the power to report legislation relating thereto belongs to other committees. In fact, if that were the only question, this committee could not change existing law in the manner it is proposed to do it here, and the point of order must be sustained. These Subtreasuries were created by statute, and when the time came when there was to be a change of existing law as to one of them it was changed by The original law provided for the creation of offices at Boston, New York, Philadelphia, Baltimore, Charleston, New Orleans, San Francisco, St. Louis, Cincinnati, and Chicago. Every one of those cities has a Subtreasury now, with the single exception of Charleston. The Charleston Subtreasury is no more, because by a statute brought in here and passed in the regular way, and not upon an appropriation bill, the office at Charleston was abolished. It was done in the regular way by statute.

Now, that is the first proposition. The point raised by the gentleman from Tennessee, however, is that under the Holman rule, or Rule XXI, a point of order would not lie, because there would be retrenchment of expenses if the committee were to accept the amendment as proposed in the bill. I respectfully submit to the Chair that no retrenchment of expenses is provided for or suggested in the amendment itself; that on the contrary, the objectionable paragraph contemplates action some time in the future, after the usual appropriations have been made, possibly long after this Congress has adjourned. The bill provides for the appropriation of salaries to continue these offices in the usual way and for no actual retrenchment of expenses except as some offices may be abolished some time in the future.

Now, that is the legislative status. What does the committee suggest in this paragraph? That after a certain period after the close of the war-and the Lord only knows when that will bethese offices are to be dispensed with, and the Secretary of the Treasury is further authorized to do what? To discharge, dispense with, reduce expenses? No; but to retain only such employees in the offices of the assistant treasurers as may be necessary to safeguard the property and the funds. It contemplates a retention of the existing force

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield

for a question?

Mr. MOORE of Pennsylvania. I do.

Mr. LINTHICUM. Let the gentleman read a little further, and he will see that the Secretary of the Treasury is given discretion to transfer the balance of them to Washington, so that there will be no saving of employees at all.

Mr. MOORE of Pennsylvania. I thank the gentleman for It provides, as the gentleman says, that the his suggestion. rest of the employees may be transferred to similar service in

Washington.

Now, where is the saving of expense? The gentleman from Tennessee suggests it may be in rent. On the contrary, rather than a saving of expense in rent, where there is no rent to pay, the Government being already in the possession of the property, the Government will then actually lose money because of the expense incurred in keeping the abandoned premises in order.

Mr. BYRNS of Tennessee. Will the gentleman point out any

authority to retain the assistant treasurers?

Mr. MOORE of Pennsylvania. I point to the statutory law creating them. Here is an act of Congress providing that Assistant Treasurers of the United States shall be appointed by the President from time to time at the following places, and they are to be confirmed by the Senate.

Mr. BYRNS of Tennessee. That section is repealed by this

Mr. MOORE of Pennsylvania. I know; and I contend that the gentleman has no right to bring in here a repealer of an existing statute on an appropriation bill. That is the very point I make,
Mr. BYRNS of Tennessee. The very fact that it is repealed

shows that the adoption of the amendment will dispense with

nine places at \$4,500 each.

Mr. MOORE of Pennsylvania. I answer that by saying that the gentleman has provided for every one of those officials under

Mr. BYRNS of Tennessee. These appropriations will necessarily be inoperative.

Mr. MOORE of Pennsylvania. But the gentleman has never-

theless provided for them.

Now, Mr. Chairman, the gentleman contends that we will have a saving in the matter of rent if we close up these offices.

other watchmen and other caretakers, and that therefore there will be an actual expense to the Government by reason of closing these offices

But I contend that there will be no saving, for other reasons. The gentleman has very cleverly quoted the present Chairman as passing upon a point of order on a previous occasion. What did the gentleman from Virginia [Mr. SAUNDERS], the present Chairman, say in connection with the proposition he passed upon then? He said that the amendment, in itself a complete piece of legislation, must operate ex proprio vigore to effect a reduction of expenditure; that the reduction must appear as a necessary result; that it must be apparent to the Chair that the amendment will operate of its own force to effect a reduction.

Now, if it is not apparent to the Chair that there will be a reduction, whose word does he take for it? Does he take the word of the gentleman from Tennessee, who says it will save in rental, or does he take the word of the Efficiency Commission, which recommends this change? Or does he take the word of the Secretary of the Treasury? Or, instead of taking the word of the board or the Secretary of the Treasury, will he require that "it must be apparent to the Chair" himself, as he indicated in the decision quoted by the gentleman from Tennessee, that there is an actual retrenchment?

The CHAIRMAN. Let the Chair ask the gentleman from Pennsylvania a question which is, of course, vital to the determination of the point of order: What would be the effect of this paragraph, should it remain in the law, upon the offices at the point designated; will they or not remain after this law is

Mr. MOORE of Pennsylvania. The establishments would remain at the expense of the United States. They would be vacated, and the Government would have to care for them, and the employees would probably be transferred to other positions—except for new caretakers.

The CHAIRMAN. That is what the Chair is trying to ascertain with respect to the offices of the assistant treasurers; would there be, in the gentleman's judgment, still assistant treasurers

at these points?

Mr. MOORE of Pennsylvania. Of course, if abolished there would not be assistant treasurers.

The CHAIRMAN. Then, the effect of it would be to abolish

the office of assistant treasurer.

Mr. MOORE of Pennsylvania. There is no suggestion of the abolition of them now, but sometime in the future, perhaps after two or three Congresses-six months after the close of the war.

The CHAIRMAN. The Chair is not bringing up the question of time. The Chair is looking at the bill as enacted into law. If enacted into law, the assistant treasurers at some time will be abolished?

Mr. MOORE of Pennsylvania. Six months after the end of the war, whenever that may be. That is the condition set forth in the paragraph.

The CHAIRMAN. The effect will be that six months after

the war is ended the offices will be abolished:

Mr. MOORE of Pennsylvania. That would be the effect of it. The CHAIRMAN. Then, that is agreed to as far as the construction of the paragraph is concerned. Mr. MOORE of Pennsylvania. As to that I desire to be heard

further.

The CHAIRMAN. The Chair is not intimating any opinion, but he is trying to get at the agreed facts.
Mr. GALLIVAN. Will the gentleman

Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GALLIVAN. Is it the gentleman's opinion that if another year should elapse and the war still be going on and these treasurers are still in existence, would it not be necessary to bring in an appropriation for the Subtreasuries, and would it not to repeat the language in this paragraph?

Mr. MOORE of Pennsylvania. It would be necessary to bring in new appropriations for the Subtreasuries, because they would not be abolished if the war continues over another Congress.

There could be no saving in that.

Mr. VARE. Will the gentleman yield? Mr. MOORE of Pennsylvania. Yes.

Mr. VARE. Assuming that these employees would be transferred to Washington to the Treasury Department, which is already crowded, is it not fair to presume that there would have to be additional floor space?

Mr. MOORE of Pennsylvania. Either that or a waste of existing floor space, and that would be a charge against the Gov-

ernment.

Mr. VARE. Is not that an increase of expense?

Mr. MOORE of Pennsylvania. Yes. I am trying to impress that on the Chair. Who is going to decide the question whether contend that instead of having a saving we will have to employ I there is a retrenchment under the Holman rule? No one can tell when the retrenchment is to take place, following the suggestion of the gentleman from Massachusetts, and it may not take place until subsequent Congresses have continued the appropriation in order to perpetuate the offices as now provided Who is to determine whether there is to be a reby statute. trenchment? We can not accept wholly the statement of the gentleman from Tennessee, and I question whether the Chair, in view of his own ruling, would attempt to decide this question for himself.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.
Mr. COOPER of Wisconsin. There is no presumption either of law or of fact that war will ever end, is there?

Mr. MOORE of Pennsylvania. No; no one can tell.
Mr. COOPER of Wisconsin. Some wars have lasted 5 years,
some 10 years, and one war lasted 30 years.
Mr. MOORE of Pennsylvania. We hope this one will not last

that long.

Mr. COOPER of Wisconsin. Is anything more indefinite than that, and can you say that such a law, if passed, will curtail the expenses of the Government, when you can not tell within 5, 10,

or 30 years when the war is going to end?

Mr. MOORE of Pennsylvania. I am making that contention. I wish to call the attention of the Chair to such language as we have as to the probable retrenchment of expenses. The Chair stated that "it must be apparent to the Chair"; there must be something to convince the Chair on that point. Where does this proposition originate? Who brought it in? We have the report of the Bureau of Efficiency. It is a lengthy report, covering a great many pages, and also covers a great many points that the gentleman from Tennessee does not refer to in his objection to the point of order. The Bureau of Efficiency states this:

In the opinion of the Bureau of Efficiency, however, the seeking of other employment should be optional and not necessary. The bureau states that it would be wrong to drop any of these men or women from the pay roll unless they go of their own volition; that they ought to be retained in the service either in Washington or elsewhere, although it might be economical to drop some of them.

Hence we have the suggestion from the body making the proposition that everybody to be abolished shall be retained. What did the Secretary of the Treasury say upon this question? He is the one officer of the Government most concerned. He has the direction of these officials in the Subtreasury and the Subtreasuries come under his control. Is the Chair to be influenced solely by the statement of the Bureau of Efficiency, which makes the recommendation of the abolition, that they propose to retain everybody? Let us see what the Secretary of the Treasury says on this very point.

Mr. McAdoo, in a letter to the Speaker of the House, received December 6, 1916, a long letter defending these Subtreasuries and going into detail as to their usefulness to the country and their serviceableness to the Treasury of the United States,

among other things, said:

It will be seen that the cost of maintaining these institutions, treating the Subtreasury system as a whole, is only one one-hundredth of 1 per cent, approximately, on the total transactions involved—an insignificant sum compared with business done, the important service performed, and the conveniences afforded to the public. Aside from New York, the cost of maintaining the other eight Subtreasuries is \$347,416.88, which is a comparatively small sum to pay for the service and convenience they provide. If these institutions were abolished the total cost of operating them would not be saved, as a counter expenditure by the office of the Treasurer in Washington resulting from the increased work that would be thrown upon that office would be entailed.

Mr. Chairman, I respectfully submit that the best witness as to whether we are going to save money is the Secretary of the Treasury, and he states here emphatically that there would be no saving, that the cost which apparently would be saved would be entailed on another branch of the service perhaps in aggravated form. But the Secretary is not done with that. He goes on further and says:

Aside from the custody of the trust funds of the Government, the Subtreasuries perform a highly useful service to the public in making exchanges of money, supplying money and coin where needed, and reducing the cost and expense of shipments of money and coin from a common center. It is necessary to maintain the facilities and conveniences provided by the Subtreasuries in the large centers of business in the country, such as the cities in which the Subtreasuries are now located.

Mr. DUPRÉ. Mr. Chairman, will the gentleman yield there? Mr. MOORE of Pennsylvania. Yes.

Mr. DUPRÉ. Has the Secretary of the Treasury joined in

the report of the Bureau of Efficiency?

Mr. MOORE of Pennsylvania. He certainly has not, so far as this letter would indicate. Now I come to that section of the Secretary's statement on this question which I think is vital and answer thoroughly the Bureau of Efficiency and the gentle-man from Tennessee. Secretary McAdoo says:

It has been suggested that the Subtreasuries are merely conveniences and not necessitics, and that their duties might be performed entirely by the Treasury in Washington. This is in a sense true, but the cost

of handling all the business from a common center in a country so extensive as the United States might be greater than the expense of the Subtreasury system, whereas the delays and inconveniences which the public would have to suffer might prove a very serious handlcap

Can there be any better testimony than that? I submit, first, that the Committee on Appropriations can not change existing law in this way, and, second. I submit there will be no re-trenchment such as is contemplated by the Holman rule if this

paragraph remains in the bill.

Mr. DUPRÉ. Mr. Chairman, it is very distasteful for me to engage in a discussion upon a parliamentary question like this, because there are certain professional "sharps" around here who monopolize this particular form of legislative diversion, and I have never aspired to a place in that galaxy; but I merely want to stress this aspect of the case. I am willing to concede that under the amendment, if it should be enacted into law, there will be a reduction to the extent of the salaries of the assistant treasurers who will be eliminated, though their salaries may possibly be spent in the increased salaries of additional clerks to handle the work that the assistant treasurers have heretofore performed. The point I want to make and impress upon the mind of the Chair is this, that it is not within his power to tell whether that event will ever take place, whether a particular time within his knowledge or foresight or within a date reasonably to be fixed can be anticipated from the amendment that the committee now presents. It says what? That six months after the President's proclamation of peace the assistant treasurers shall be abolished and their salaries eliminated. When is that to take place? Can the Chair tell whether within the life of this Congress, whether within the fiscal year for which these appropriations are to be made, such a "consummation so devoutly to be wished" as the arrival of peace and six months thereafter will come to pass? Therefore may not the Chair reasonably take into consideration the satisfaction to his own mind that he must have that a retrenchment will some day take place, bringing such an amendment under the Holman rule, before he can hold the words of the committee in order? That is all I care to say. [Applause.]

The CHAIRMAN. The application of the Holman rule is a matter that has been the subject of many rulings, but it seems to the Chair that the case under consideration, while not entirely novel, presents a somewhat unusual aspect of this rule.

In connection with the Holman rule, it may be said in a pre-liminary way that the authorities are agreed that the rule is a wholesome one, and therefore proper to be liberally construed. Hence if the question presented is difficult of decision under that rule, the Chair in case of doubt should resolve that doubt in favor of an interpretation which will submit the paragraph, or amendment under consideration to the judgment of the House, which will thereby be put in a position to pass upon the merits of the substantial question in issue. A former Speaker of this body announced the canon of construction for the Holman rule as follows:

The purpose of the rule is most beneficial and proper, and it should have a liberal construction in the interest of retrenchment.

To the same substantial effect Mr. Chairman Crisp:

The Holman rule is intended to have a beneficial effect upon the Treasury of the United States. If the Chair is in doubt whether an amendment is in order this doubt should be resolved against the point of order, for by so doing the Chair works no hardship upon anyone, but submits to the committee itself the privilege of passing upon the amendment. If the committee favor it, then a majority can adopt it. If a majority is opposed to it, then that majority can reject it. (Manual House Rules, 1916, p. 505.)

If the contention that the paragraph under consideration was in order, rested exclusively upon the ground that it effected a reduction in the amounts of money covered by the bill, the Chair would be constrained to sustain the point of order raised by the gentleman from Pennsylvania [Mr. Moore]. Plainly the paragraph will not necessarily reduce the amounts covered by the bill, since the provision relating to the offices proposed to be abolished, may not take effect within the periods for which this

bill makes appropriations.

There is no effective proposition to reduce the amounts covered by this bill for the obvious reason that the reductions which the repealing provision will effect, will not of necessity occur within the life of the bill which is limited to a duration of two fiscal years. There is another feature, however, of the paragraph which has apparently been overlooked, and that is the reduction effected in the number of the officers of the United States. It seems to be conceded as a matter of fact, that this paragraph, if it remains in the bill, will eliminate a very definite number of Federal officials, receiving considerable salaries fixed by law. Looking to the Holman rule, as it appears in the House Manual, section 21, subsection 2, it will be noted that a retrenching amendment, changing existing law,

will be in order, if it accomplishes any one, of several results. The rule is as follows:

Nor shall any provision in any such bill, or amendment thereto, changing existing faw, be in order, except such as being germane to the subject matter of the bill, shall retrench expenditures by the reduction of the number, and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

As pointed out, it is not possible to bring the paragraph under consideration, within the benefit of the last portion of the language cited, on account of the uncertainty of the date at which the repealing clause of the paragraph will become operative. But the rule contains another provision, or head to which the paragraph may be related. The Chair in this connection will call the attention of the committee to this language of

except such, as being germane to the subject matter of the bill shall retrench expenditures, by a reduction of the number and salaries of the officers of the United States.

The rule does not say at what time this reduction of officers shall take place, but that expenditures shall be retreached by a reduction of the number and salary of the officers of the United This reduction may be effected eo instanti, or at some future date. The one thing needful is that the reduction of the number and salaries of Federal officials shall be effected. Now very definite number of Federal officials and incidental salaries will be eliminated if this paragraph is retained in the bill.

Mr. IGOE. Mr. Chairman, will the Chair permit an inter-

The CHAIRMAN. Yes.

Mr. IGOE. The section cited in the proposition of the committee is section 3595 of the Revised Statutes, which simply provides that there shall be assistant treasurers appointed from time to time at certain cities. Following that there is another section-3596-that is not mentioned here, and it says that the assistant treasurers shall be entitled to the following salaries, and then mentions the places where they are to be appointed and the salaries. Now, if section 3595 is repealed and section 3596 and subsequent sections still remain the law, under those sections assistant treasurers might be appointed at the salaries fixed.

The CHAIRMAN. Is it the contention of the gentleman, in point of fact—the Chair desires to get the facts straight—that if this paragraph remains in the bill there will still be assistant treasurers at the indicated cities?

Mr. IGOE. My contention is, under section 3596 and subsequent sections assistant treasurers are still authorized and their salaries fixed and the cities designated.

The CHAIRMAN. In other words, this paragraph, as it remains in the bill will not abolish the assistant treasurers?

Mr. IGOE. That is my contention, that they can still be continned.

The CHAIRMAN. What is the statement of the chairman of the committee on that proposition?

Mr. BYRNS of Tennessee. Section 3595 is the section which confers upon the President the authority to appoint assistant treasurers. That is the particular section which was repealed when the Subtreasury at Charleston was discontinued.

Mr. IGOE. Was not the section amended?

Mr. MOORE of Pennsylvania. Is it not a fact that the amendment proposed now for the first time repeals section 3595? If the Chair will permit, section 3595 provides as follows:

There shall be assistant treasurers of the United States appointed from time to time by the President, by and with the consent of the Senate, to serve for the term of four years, as follows—

And then they are enumerated.

Mr. BYRNS of Tennessee. That answers the Chair's question. When we repeal that section there shall be no assistant treasurers, and there will be none if we repeal the particular section which is the only authority there is for them.

Mr. IGOE. The only thing it says is that they shall be ap-

pointed and confirmed by the Senate, and in section 3596 it authorizes and fixes the salaries.

Mr. SHERLEY. If the Chair will permit as to the facts. Section 3595 provides: .

There shall be assistant treasurers of the United States, appointed from time to time by the President, by and with the advice and consent of the Senate, to serve for the term of four years, as follows: One at Boston, one at New York, one at Philadelphia, one at Baltimore, one at Charleston, one at New Orleans, one at St. Louis, one at San Francisco, one at Cinicinnati, cae at Chicago.

Now, the repeal of this section takes away any law for such assistant treasurers at such places,
Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. SHERLEY. Certainly.

Mr. MOORE of Pennsylvania. Is it not true a statute was enacting repealing the law as to Charleston when Charleston was discontinued.

Mr. SHERLEY. Yes

Mr. MOORE of Pennsylvania. It was not done through the medium of an appropriation bill.

Mr. SHERLEY. The authorization in reference to Charleston was repealed some time ago.

Mr. MOORE of Pennsylvania. Was it because confirmation

was required of the Senate?

Mr. SHERLEY. No. Now, the law as it exists to-day, the only law that makes possible these assistant treasurers at these particular places, is section 3595. If that law should be taken off the statute book there would be no law authorizing such

assistant treasurers at any such places.

The CHAIRMAN. The Chair is very glad to have had the sections cited, called to his attention. This citation will serve to keep the Record straight. Section 3595 provides that there shall be assistant treasurers at certain designated places. Section 3596 determines the salaries for these officers. Very well. If the paragraph under consideration repeals the law providing for the assistant treasurers at the places indicated, how can it be argued that salaries can be paid to nonexistent officers. The shadow follows the substance. If the office falls, the officer and the salary falls with it. All that the next section in succes-If the office falls, the officer and sion proposes to do, is provide salaries for the officers authorized by the preceding section. The section fixing the salaries of the assistant treasurers is of importance, in the determination of the point of order. It affords the most positive and reliable information as to the extent of the salary reductions effected by the paragraph to which the point of order is directed. Looking to the first section cited and then to the section which provides the salaries for the officers created by the first section, it is easy to determine precisely the aggregate amount of reduction of official salaries effected by the paragraph under discussion, should it be retained in the bill by the action of the committee. As to the right of the Committee on Appropriations to submit a repealing provision germane to the subject matter of the bill and retrenching expenditures by reducing the number and salaries of Federal officials, the Chair is content to rest his ruling upon the precedents afforded by numerous decisions construing the Holman rule. Judge Carsp rendered a very interesting and instructive opinion in this connection.

Mr. MOORE of Pennsylvania. If the Chair will permit me to call attention to the ruling of Judge Carse, he ruled on a case preceding the gentleman from Virginia [Mr. SAUNDERS], in a case somewhat similar to this, and he said:

The Chair is of the opinion that it does not reduce the amount of money covered by the bill.

In other words, there was a distinction there which pertained to a bill as of that time and here where a provision pertains to the future and is indefinite.

The CHAIRMAN. The Chair has sought to point out that this paragraph can not be sustained on the ground that it reduces the amounts covered in this bill. But the Chair has also endeavored to point out as a part of his ruling that the paragraph can be sustained under another head, or portion of subsection 2 of Rule XXI. The language of that portion defines precisely how the retrenchment of expenditures may be effected, namely by a reduction of the number and salary of In order to qualify so to say, under that Federal officials. language, it is only necessary to show first that the number of Federal officials has been reduced, second that salaries of these officials have also been reduced. Retrenchment of expenditures is established, by the mere fact of reduction in the number and salaries of the officers of the United States. The subsection reads:

Which shall retrench expenses by the reduction of the number and salary of the officers of the United States.

The repealing language of the paragraph provides a very distinct reduction in the number and salaries of officers of the United States. Should this bill become a law, it will be possible to state very definitely the number of officers that will be eliminated, and the consequent reduction in salaries that will be effected. There is no doubt in the mind of the Chairman, and I suppose none on the part of any member of the committee, that this paragraph, once enacted into law, will abolish all of the offices provided for in section 3595, and at the same time eliminate the salaries fixed for these offices by section 3596.

This being so, this paragraph, in the very language of the Holman rule, will retrench expenditures, and, retrenching ex-

penditures, it thereby becomes in order.

Mr. RUSSELL. Will the Chair permit me to make a suggestion?

The CHAIRMAN. Certainly.

Mr. RUSSELL. As I understand, in order to make the repeal of this statute permissible in this bill it must appear that the paragraph is germane, and it must also appear that the committee reporting this to the House has jurisdiction of that

The CHAIRMAN. The paragraph must be germane to the subject matter of the bill and retrench expenditures in the

manner provided.

Mr. RUSSELL. Now, the Chair states this statute can properly be repealed.

The CHAIRMAN. Yes.

Mr. RUSSELL. That might be true, and still it might not be germane and proper in this bill, because it occurs to me if this statute is repealed by an independent bill, the bill ought to come from some other committee and not the Committee on Appropriations. And under the rule in the Holman case it must be germane, and it must appear that it is a subject matter over which the committee has jurisdiction.

Mr. CARTER of Oklahoma. If the Chair will permit, that is only under the requirements under which the committee can offer amendments. The Chair, as I understood, was discussing that part of the Holman rule which permitted not only the committee but any Member of the House to suggest an amendment.

Mr. RUSSELL. The same rule applies.

The CHAIRMAN. The Chair apprehends the point suggested by the gentleman from Missouri [Mr. Russell], but I call his attention to the fact that if his point is well taken the Appropriation Committee could never effect any change of law, whatever might be the amount of reduction secured by the change.

Mr. DUPRÉ. And should never.

The CHAIRMAN. But the right of the Appropriations Committee to propose repealing provisions in an appropriation bill has been sustained.

Mr. CARTER of Oklahoma. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.
Mr. CARTER of Oklahoma. Can not any Member from the floor of the House, who is not a member of the committee having the bill in charge, offer an amendment, which would retrench expenditures by the reduction of the number and salaries of officers in the United States, to any bill to which that might

The CHAIRMAN. The Chair will make answer by referring once more to the positive law of the House to the effect that a provision in an appropriation bill changing existing law shall not be in order, unless being germane to the subject matter of the bill, it shall retrench expenditures in one of the ways pro-

vided.

Mr. Chairman Crisp has ruled on this precise question on March 14, 1916, in a decision reported in the House Manual on page 502. The legislative, judicial and executive bill was under The legislative, judicial and executive bill was under consideration, and the ruling was upon an amendment offered by the gentleman from Missouri [Mr. Borland]: This amendment in substance provided for a reduction in the number of persons in the classified service, to be effective on or before June 30, 1917, and effected certain changes in existing law. The point of order was made that the amendment proposed legislation, and therefore was out of order on an appropriation bill. The Chair first proceeded to determine whether the amendment was germane, and in that connection used the following language:

germane, and in that connection used the following language:

The bill before the House is the legislative, executive, and judicial appropriation bill, dealing generally with the salaries of officers and employees of the United States Government. In the main this is the appropriation bill which carries the salaries for the officers and employees of the Government. The amendment seeks to deal with a certain number of the employees of the Government, and the Chair thinks the amendment proposing a new section, dealing with a certain class of Government employees, is germane to the bill. * * The amendment clearly reduces the salaries to be paid out of the Treasury. The Chair is clearly of opinion that where an amendment is offered reducing the number of salaries paid out of the Treasury, coupled with legislation, that legislation to be in order must be connected up with, related to, or logically follow from the part of the amendment, reducing the number of employees, or the amounts of money covered by the bill. The Chair can not escape the conclusion that if you reduce the number of clerks, the business of the Government will require those remaining in the service to work longer hours. The Chair thinks the legislation naturally and logically follows the provision reducing the number of clerks.

The principles of this decision and of other decisions quoted by Judge Crisp may be readily applied to the case in hand. The same bill is under consideration. It deals with the salaries of these assistant treasurers. In part they are the subject matter of the bill. The repealing language of the paragraph will eliminate these officers and their salaries. It deals with officers to which the bill relates, and for whom it will make appropria-

tions, so long as the offices are in existence. It proposes to change the law which affords the very offices that will be filled by the assistant treasurers, until the offices themselves are abolished. Hence the amendment, that is the repealing and reducing language is germane to a bill which proposes to appropriate for these officers. It is not only germane, but it re-trenches expenditures in the very manner contemplated by the rule, that is by reducing the number and salaries of Federal officials. Being both germane, and retrenching expenditures, it is in order. It is not material that the officers will be abolished in future. The rule does not require them to be abolished eo instanti. It is enough that they will be abolished at some sufficiently definite date. The abolition effects the retrenchment.

Mr. DUPRÉ. Will the Chairman permit?

The CHAIRMAN. Yes.

Mr. DUPRÉ. If the matter was an original proposition, and a bill on this subject were offered, and the present occupant of the chair, one of the most distinguished and learned in this whole body, had the disposition of the measure, would he refer it to the Committee on Appropriations, the Committee on Ways and Means, or say, the Committee on Banking and Currency?

The CHAIRMAN. It is not necessary to answer that question.

The Committee on Appropriations is not incapacitated from offering a repealing section effecting a reduction of expenditures. A ruling to the contrary would in substance mean, that the Committee on Appropriations could never bring itself within the Holman rule, since that rule contemplates legislation upon an appropriation bill, provided it is germane, and retrenches expenditures. The Committee on Appropriations has no general jurisdiction to enact legislation. It is concerned exclusively with appropriations. In order that it may come within the provisions of the Holman rule, and enact legislation, it must appear that the proposed legislation is related to the subjects for which the committee appropriates, and if enacted will reduce expenditures.

Mr. DUPRÉ. Why would the Chair view it from that stand-

point, even for the first time?

The CHAIRMAN. For that matter, I am not trying to view this situation for the first time. I have ruled on it several times, and do not think that it is a just interpretation or construction of the Holman rule, to say that it contemplates under certain conditions, that an amendment proposing new legislation is in order, and then so construe the rule, as to make it impossible for any amendment reported by the committee, and containing legislation, to be in order.

Now, so far as the suggestions of the Secretary of the Treasury, and the merits of the paragraph are concerned, the Chair can not take them into consideration in passing on the point of order. The only thing proper to be considered is, whether this paragraph is within the principle of the Holman rule. The

Chair thinks it is, and overrules the point of order.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to

strike out the paragraph.

Mr. BYRNS of Tennessee, Mr. Chairman, I want to see if we can not agree upon time to dispose of this question. It seems to me it ought not to take all the afternoon. I would like to know if we can not agree upon 30 minutes.

Mr. DUPRÉ. I will be very glad to join with the gentleman

in an effort of that kind to limit debate.

Mr. RUSSELL. Mr. Chairman, I would like to have a couple

Mr. MOORE of Pennsylvania. Gentlemen, bear in mind there are nine cities.

Mr. BYRNS of Tennessee. Does that mean-

Mr. MOORE of Pennsylvania. That means a fight, I suppose. Mr. BYRNS of Tennessee. Will the gentlemen who are opposed to this provision agree to limit the time to five minutes in opposition? That is five minutes for each Subtreasury city.

Mr. DUPRÉ. There are 17 Members from the city of New

York alone. I will agree to that. [Laughter,]
Mr. MOORE of Pennsylvania. How much time does the gentleman suggest?

Mr. BYRNS of Tennessee. I was thinking that gentlemen would agree to 30 minutes, or 45 minutes in all. Can we not agree upon an hour, 30 minutes for and 30 minutes against?
Mr. COADY. Mr. Chairman, will the gentleman yield?
Mr. BYRNS of Tennessee. Yes.

Mr. COADY. Suppose that this section was stricken out. Does the gentleman then, after that, propose to offer an amendment providing for each of these cities?

Mr. BYRNS of Tennessee. That is a stream that we will

cross when we come to it.

Mr. COADY. I want to know that for the purpose of fixing the time. I think in that case we ought to have more time. Will the gentleman agree upon 45 minutes to a side?

Mr. BYRNS of Tennessee. Will not the gentleman agree to an hour, half an hour on a side? I submit that we ought to dispose of this matter to-day.

Mr. MOORE of Pennsylvania. Make it 40 minutes. I will

cut my own.

Mr. GALLIVAN. That is, 40 minutes to a side.

Mr. COADY. Do you mean the Republican side or those in favor of the motion?

Mr. MOORE of Pennsylvania. Those in favor of the motion to strike out.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that 1 hour and 20 minutes be allowed for debate, to be equally divided for and against the paragraph, the time to be controlled by the Chair.

Mr. MOORE of Pennsylvania. I must ask the gentleman to

raise that five minutes.

Mr. BYRNS of Tennessee. I adopted the suggestion made by the gentleman himself, who said he would agree to 40 minutes.

Mr. MOORE of Pennsylvania. Very well. I will cut my own. Mr. BYRNS of Tennessee. The gentleman has already made a very able speech.

Mr. DUPRE. I hope that will go in the RECORD.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the debate on this paragraph close in 80 minutes, 40 minutes on a side, the time to be equally divided between those favoring and those opposing.

Mr. BYRNS of Tennessee. My suggestion was that the time be equally divided for and against the proposition, under the control of the Chair, so that if it should happen that 40 minutes was not desired the Chair would control it.

Mr. DUPRE. Mr. Chairman, would the gentleman so arrange his request as to say that the vote be taken at a particular

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that the time be limited to 80 minutes, 40 minutes to be controlled by myself and 40 by the gentleman from Pennsylvania

[Mr. Vare], a member of the committee.

Mr. LINTHICUM. I object to that.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the time be limited to 80 minutes, 40 minutes

to be controlled by himself and 40 minutes by the gentleman from Pennsylvania [Mr. Vare].

Mr. LINTHICUM. Reserving the right to object, I would like to know if I could get a little time on this. I would like five minutes. I had an understanding with the gentleman from Pennsylvania [Mr. Moore], but I have none with the gentleman from Pennsylvania [Mr. VARE]. Mr. MOORE of Pennsylvania.

In view of the request, I will

withdraw and leave it to my colleague [Mr. VARE].

Mr. VARE. Mr. Chairman, as I understand it, the 40 minutes contemplates that there shall be 5 minutes to a city. In my opinion that is a very insignificant portion of time for each of these great cities to devote to such a very important proposition. However, if this motion prevails, if the gentleman from Maryland represents one of the cities

Mr. LINTHICUM. No; my colleague [Mr. Coady] must have

some time, because the Subtreasury is in his district.

Mr. VARE. I agree that five minutes to a city is a very limited time to devote to such an important subject.

Mr. LINTHICUM. I object to it unless Baltimore shall have

more than five minutes.

Mr. WALSH. It is impossible to satisfy individual Members. Mr. IGOE. Mr. Chairman, what is pending before the House? The CHAIRMAN. The motion to strike out the paragraph;

and, pending that, there is a discussion as to the limitation of

Mr. BYRNS of Tennessee. What became of the unanimous-

consent request?

The CHAIRMAN. There was objection to the 80-minute proposition.

Mr. DUPRÉ. Mr. Chairman, I renew my suggestion to the gentleman from Tennessee that we agree upon this vote to strike out the paragraph at 5 o'clock.

Mr. BYRNS of Tennessee. I am willing to close the debate

at 5 o'clock.

Mr. GOOD. I suggest to the gentleman from Tennessee that he had better ask to close debate at quarter to 5, as his committee meets at 5 o'clock.

Mr. GALLIVAN. Mr. Chairman, I move that all debate on this section and all amendments thereto close at 5 o'clock.

Mr. FESS. That is not in order. Mr. BYRNS of Tennessee. That is not in order. We have had no discussion on the amendment.

Mr. GALLIVAN. Mr. Chairman, I understood the Chair to

say that the motion was in order.

The CHAIRMAN. The Chair did not rule on any specific

motion. Does the gentleman submit a motion?

Mr. GALLIVAN. Is my motion in order?

The CHAIRMAN. Not until there has been discussion on the paragraph.

Mr. BYRNS of Tennessee. I ask unanimous consent that all debate on this paragraph and all amendments thereto close at

The CHAIRMAN. And the control of the time to be as it has been heretofore?

Mr. BYRNS of Tennessee. Yes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this paragraph and all amendments thereto close at 5 o'clock, the time to be in the control of the Chair.

Mr. LINTHICUM. I will object to that unless I can have

some time.

Mr. BYRNS of Tennessee. I have no doubt the gentleman from Pennsylvania [Mr. VARE] will yield the gentleman time. Mr. LINTHICUM. Then I will withdraw my objection.

The CHAIRMAN. The Chair will again submit the unanimous-consent request. The unanimous-consent request is this: That the debate on this paragraph and all amendments thereto shall close at 5 o'clock, the time between the present and 5 o'clock to be divided in equal portions, one half to be controlled by the gentleman from Tennessee [Mr. Byrns] and the other by the gentleman from Pennsylvania [Mr. VARE]. Is there objection?

Mr. WALSH. I object.

Mr. IGOE rose.

The CHAIRMAN. The gentleman from Missouri is recog-

Mr. IGOE. Mr. Chairman, the motion to strike out the paragraph will mean, if adopted, that all the Subtreasuries will be continued as heretofore. A year ago, when the question was up, the matter was referred to the Bureau of Efficiency for investigation, and that b reau has made its report, recommending, first, the immediate suspension of the Subtreasuries at Baltimore, Philadelphia, and Cincinnati; and, second, the immediate release of the assistant treasurers at the remaining six Subtreasuries; and, finally, the consolidation of the entire Sub-treasury system with the Federal reserve bank six months after the end of the present war.

The committee has reported a provision abolishing the Subtreasuries six months after the war ends. The Treasury Department, through the Assistant Secretary of the Treasury. in the hearings had before the committee, took the position that at this time no legislation of any kind affecting the Subtreasuries should be enacted. Ordinarily we find Appropriation Committees willing to act upon the suggestion of officials of the Government who have charge of these particular activities, but in this case we find that the recommendation of the Secretary of the Treasury and of the Assistant Secretary of the Treasury immediately in charge of the Subtreasuries has been disregarded absolutely and this provision inserted in the bill against their recommendations,

I have not time to read all of this testimony, but the Assistant Secretary was very positive in his statement that it was wrong to pass this legislation at this time. I know that the committee believe that through the abolition of the Subtrensuries they will be able to save some money, and the Efficiency Bureau in an exhaustive report undertakes to state how much money will be saved. But, strange to say, the Assistant Secretary of the Treasury, who is in immediate touch with this matter, says that he does not believe that a single cent can be

saved by any such proposition.

Furthermore, there is not a statement of a single bank or a business man anywhere in the United States in favor of the proposition which the committee submits. The Treasury Department is opposed to it, and I venture to say, from the personal knowledge I have of the conditions that exist—and my knowledge is confined to the Subtreasury at St. Louis—no money will be saved by the abolition of that Subtreasury, because if that work is turned over to the Federal reserve banks they must receive compensation for it. Two officers of the Federal reserve bank in St. Louis to-day receive as much money as the assistant treasurers and all the employees of the St. Louis Subtreasury combined. Even the rent of vault space in the city of St. Louis to accommodate the funds now in the Subtreasury would cost more than this Government is now paying for the operation of the whole Subtreasury system in that city.

There is an impression that the Subtreasury is a mere convenience for a few banks in the city in which it is located, but that is a mistake. The Subtreasury serves not only the banks in that city but it serves the banks in the States immediately adjoining to it. The banks of 17 States do business through the St. Louis Subtreasury. There is nowhere in these hearings a statement of a single banker, or a single business house, in favor of this proposition, and, on the contrary, the Treasury

Department is opposed to it.

The service by the Subtreasuries to the country banks throughout the United States can not be as well rendered by any other system nor can it be rendered at as small a cost as under the present system. The Federal reserve banks are not ready to take over this work, and if they do it will be necessary to com-pensate them for the work. It is apparent to anyone who has studied this matter that it will not result in a saving; but, even if it did, that in itself would not justify such action in view of the very valuable and necessary service rendered to the country banks and business interests generally. The business of the country deserves consideration and in a purely govern-mental function, such as that performed by the Treasury Department, it is right and proper that full and complete facilities should be supplied the financial and business interests, and the best means possible should be adopted.

The CHAIRMAN. The time of the gentleman from Missouri

Mr. MEEKER. I ask unanimous consent that the gentleman have five minutes more.

Mr. WALSH. I object.

Mr. COADY. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I have read with considerable interest the report of this so-called Efficiency Commission. I think the word "efficiency" as used in connection with that commission is a misnomer. It ought to be called the inefficiency commission. I think a cursory examination of this report will bear me out in my statement in that connection. The recommendations made by this commission are absurd.

Mr. WALSH. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. The gentleman has made a motion to strike out the last word. The last word is "offices." He is discussing the last word. The last word is "offices." He is discussing the Efficiency Commission. I desire to state that I shall make this point as often as the motion is made to strike out the last

Mr. IGOE. Does the gentleman mean during the remainder

of the Congress?

Mr. WALSH. During the remainder of this discussion.

Mr. IGOE. Does not the gentleman think we ought to have a quorum here?

Mr. WALSH. I am perfectly willing. Mr. HAMLIN. Mr. Chairman, I ask unanimous consent that the gentleman from Maryland may proceed five minutes out of order.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the gentleman from Maryland may proceed five minutes out of order. Is there objection?

There was no objection.

Mr. COADY. Mr. Chairman, an examination of page 1 of the report of the Efficiency Commission shows this language:

Furthermore, the bureau is convinced that the abolition of the Sub-treasuries will effect a large saving to the Government.

And yet on page 7 of the same report this commission recommends that this work now performed by the Subtreasuries and the important functions and duties now performed by them shall be transferred to the Federal reserve banks and to the branches thereof.

Mr. IGOE. Will the gentleman yield? Mr. COADY. Yes. Mr. IGOE. Is it not true that the Assistant Secretary of the Treasury states that now we are paying the Federal reserve

banks for work they are doing on the bond issues?

Mr. COADY. That is absolutely true. They recommend that this work be performed not only by the Federal reserve banks, 12 in number, but by the branch banks, which are 11 in number, thereby transferring the work now performed by 9 offices, so thereafter it will be performed by 23 different offices of the country. They further recommend in their report that an additional employee be provided for in each of the 23 branches.

Therefore, instead of having the employees now provided for in this law in the different Subtreasuries of the city, we

will have those same employees, barring, of course, the as-sistant treasurers and 23 coin clerks, and in addition to that there is a certain equipment required in these Subtreasuries. We have nine of these equipments now, and if the recommendations of this commission are adopted and enacted into law we

will have to obtain 23 of these equipments for 23 cities of the United States. Mr. Leffingwell, the Assistant Secretary of the Treasury, appeared before the Committee on Appropriations, and recommended strongly the continuance of these Subtreas-On page 448 of the printed report of the hearings had on this bill he has this to say:

The department is not ready to recommend that any be abolished. Since the Secretary made his report of a little over a year ago the condition of the world's affairs and of the United States has been changed by the great war, and the department has been called upon to multiply its activities vastly. The Subtreasuries have had to do more than ever before.

I know that is true. In our own city of Baltimore from February, 1917, until January, 1918, the receipts and disbursements amounted to over \$314,000,000, an increase of \$90,000,000 over the business done there the previous year. That vast amount of business in the Subtreasury at the city of Baltimore was done at an expense of only \$31,500—one one-hundredth of 1 per cent of the entire business done. The Subtreasury at Baltimore meets the needs and necessities of 700,000 people. The United States Naval Academy uses it for small coins. The proving ground at Aberdeen, a permanent institution, uses it. The great shipbuilding plants in Baltimore use it, and this amendment provides that these shall be discontinued six months after the war.

Mr. Chairman, these shipbuilding industries will be busy, not only 6 months after the war, but for 10 years after the war, replacing the ships that have been destroyed and sent to

the bottom of the ocean.

Mr. HAMLIN. And if the Baltimore Subtreasury or any of them were abolished, you would only save the salary of the subtreasurer.

Mr. COADY. That is true.

Mr. HAMLIN. The overhead charges would go on.
Mr. COADY. Yes; and I do not think under the recommendations of the Bureau of Efficiency we would save those, because they recommend additional offices be employed in 23 different cities of the United States and the salaries of those would more than offset the little saving obtained by abolishing

the offices of subtreasurers.

The business and financial people of Baltimore who have put millions of dollars of their own money in Red Cross work, Y. M. C. A. work, and K. of C. work, are now asking the Government to continue the small annual appropriation of \$31,500 for the maintenance of the Baltimore Subtreasury, not for their personal benefit but to enable them to serve their customers furnish the money that finances the big industrial plants which employ thousands of workmen. These manufacturers need a large amount of fractional currency every week for their pay rolls, and they obtain it at the Subtreasury. The Baltimore Subtreasury serves not only our own community of 700,000 people but it also meets the needs of the people of Virginia, West Virginia, North Carolina, South Carolina, and a part of the State of Pennsylvania.

The figures that I have mentioned demonstrate beyond any question the value of the Subtreasury in Baltimore to the communities it serves. If we transfer the functions of these Subtreasuries to the Federal reserve banks, it will be, in my judgment, a serious mistake. The Federal reserve banks are now overworked, and so are the Subtreasuries. I know that the 21 men employed in the Baltimore Subtreasury are a hard-worked class of men, and that for some time past they have been constantly employed in the performance of their duties from 9 in the morning until 6.30 in the evening. It is inconceivable that the force of clerks in Federal reserve banks or any of the Federal reserve bank branches could, in addition to their present duties, perform the additional work that would be imposed upon them if the functions of the Subtreasuries were imposed upon

Mr. GALLIVAN. Mr. Chairman, I am only going to take a few minutes in support of the amendment offered. I was rather surprised that the point of order was raised by the distinguished chairman of this committee. We discussed this matter in our There were not any real sound reasons advanced committee. for the abolishing of these Subtreasuries, and I can not gather why the gentlemen who have been so unanimous in support of practically every proposition to give the present Secretary of the Treasury increased powers are now unwilling to take his word for it that these Subtreasuries ought not to be abolished. The Assistant Secretary, speaking for Mr. McAdoo, said something else before the committee. He said that since the organization of the Federal reserve banks the Subtreasuries have been actually called upon in the Federal reserve cities to assume subsidiary labors for these banks, and that since his own brief term of office began his principal burden in connection with the Subtreasuries has been to resist the appeals of the Assistant

Treasurers for additional assistance. He believed that the work of the Subtreasuries had been increased instead of reduced by the establishment of the Federal reserve banks. It was difficult to resist the appeals of the assistant treasurers for additional assistance.

Yet-

Said he-

I had to resist when I felt that there was real merit in those appeals, because I knew it was the wish of the Secretary and of your committee that there should not be an increase in the activities of the Sub-

Mr. Chairman, I speak in part for the city of Boston, where the Subtreasury there takes care of the wants not only of the citizens of Boston, but of about 2,000,000 or more of the people of Massachusetts. Every business interest in Massachusetts stands back of the Subtreasury in my city, and I can not, as I said before, for the life of me understand what sound argument can be advanced for this committee to produce such a suggestion as is offered in the bill. Our committee was not unanimous, and I do not want the impression to prevail that the entire Committee on Appropriations stands back of this report. I can recall at least five of us on that committee who did not agree

Mr. JOHNSON of Washington. Mr. Chairman, I make the point of order that the gentleman has no right to discuss what occurred in the committee.

Mr. GALLIVAN. My good friend, we, the minority, reserved our rights and agreed that we would not support this sugges-tion of the committee. There was nothing confidential about it.

Mr. JOHNSON of Washington. That does not give the gentleman the right to discuss what occurred in the committee

Mr. MADDEN. There is nothing sacred about the committee,

Mr. GALLIVAN. No, even though I do happen to be a mem-

Mr. RUCKER. Can not a gentleman on the committee say he does not agree to what the Efficiency Bureau does?

Mr. JOHNSON of Washington. Oh, yes.

Mr. RUCKER. If he could not do that, we had all better adjourn and go home. I am tired of this Efficiency Bureau.

The CHAIRMAN. The general rule is that Members shall not

bring into the House matters that took place in the committee

which are likely to bring about a controversy in the House.

Mr. GALLIVAN. Mr. Chairman, whether I have the right to say it or not, I have said it. I told the committee I would say it on the floor of the House.

Mr. VARE. Is it not the fact that gentlemen desire to be extremely courteous to the chairman of the committee and did not file a minority report.

Mr. GALLIVAN. Exactly; and my colleague from Pennsylvania agreed with me, but it was well understood that the committee was not unanimous and that the minority would be heard from in the discussion.

Mr. MADDEN. What else could they expect from two such

agreeable gentlemen?

Mr. GALLIVAN. Mr. Chairman, we had this fight once before, and this branch of Congress overwhelmingly refused to abolish these Subtreasuries.

Mr. MADDEN. Mr. Chairman, will the gentleman yield? Mr. GALLIVAN. Yes. Mr. MADDEN. I thought from the beginning of the gentleman's speech that he was opposed to the continuation of these Subtreasuries.

Mr. GALLIVAN. I am afraid that the gentleman has been lost in reading a speech which he delivered a few hours ago, is so wrapped up in it that it is hard for him to follow an intelligent discussion from any other source. [Laughter.]

Mr. MADDEN. I will say to the gentleman that it is a good deal easier to get wrapped up in a thing of that sort than a package of sugar these days.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RUCKER. Mr. Chairman, I have been somewhat interested in this debate during its short progress.

Mr. WALSH. Mr. Chairman, I would like to inquire what is

before the House. I make the point of order.

Mr. RUCKER. I am before the House. Mr. Chairman, I ask unanimous consent to address the committee for five minutes.

The CHAIRMAN. The gentleman from Missouri asks unani-

mous consent to speak for five minutes. Is there objection? [After a pause.] • The Chair hears none.

Mr. WALSH. Let us keep the record straight.

Mr. RUCKER. Mr. Chairman, I am glad I have the consent

of the gentleman from Massachusetts [Mr. Walsh], because, it |

seems to me, the gentleman from Massachusetts and the Efficiency Board are running Congress.

Mr. MADDEN. That is why it is being so economically

managed.

managed.

Mr. RUCKER. I submit to the gentleman from Massachusetts with more grace than I do to the Efficiency Board. My colleague from Missouri [Mr. Igor] and the distinguished gentleman from Massachusetts [Mr. Gallivan] tell us that the Secretary of the Treasury, into whose hands we have placed almost unlimited power by practically unanimous vote, says these Subtreasuries ought not to be abolished. But what difference does that make now? A certain concern has sprung up ference does that make now? A certain concern has sprung up like a mushroom and named itself "Efficiency," and gentlemen connected with the Committee on Appropriations consider it efficient and whatever that concern says has at least the support of some gentlemen of the Committee on Appropriations. Now, "efficiency" is a pleasing term, it is an euphonious term, and, as far as I know, the bureau is self-named. I doubt if any gentleman on the Committee on Appropriations has the genius to find a name suitable for this magnificent and, pardon me, this autocratic aggregation, composed of a few men, who arrogate to themselves the right to say that one department must do thus and so, and other great departments of the Government shall do nothing, because we, the chairman and members of the Efficiency Bureau, acting through the chairman, have arrayed our infallible judgment against the combined wisdom and judgment of all the departments of the Government, and since the gentleman from Massachusetts [Mr. Walsh] has generously permitted me to proceed out of order, I am going to remain out of order long enough to say that, so far as I am concerned, the Efficiency Bureau has no weight or influence with me. [Applause.] I regret to see this great committee, clothed with the stupendous power that it has, come in here and attempt to override and crush to earth the recommendations of high officials of the Government in obedience to the dictations of this great

Mr. WALSH. Will the gentleman yield?

Mr. WALSH. Will the gentleman yield?

Mr. RUCKER. I will be glad to do so.

Mr. WALSH. The gentleman is aware this Bureau of Efficiency is the child of the Democratic administration now in nower?

Mr. RUCKER. Let me say there are so many Democrats in the country now that I do not know upon whom to fix the blame, but, so far as I am concerned, speaking as a Democrat, I repudiate the suggestion and assure the gentleman that my conduct has been honorable. This bureau, however, is of Republican origin. It could not claim Democratic paternity-its conduct is too objectionable.

Mr. HOWARD. Will the gentleman yield?
Mr. RUCKER. I yield.
Mr. HOWARD. I understand the Efficiency Board and the efficiency investigations, out of which this thing grew, were originated by Mr. Taft and his administration.

Mr. RUCKER. I understand the head of the Efficiency Bu-

reau came from that side of the House.

Mr. MEEKER. Will the gentleman yield?

Mr. RUCKER. I will yield.

Mr. MEEKER. In reply to the gentleman from Massachusetts, would not the gentleman be bound to say that accidents

sometimes occur in the best-regulated families?

Mr. RUCKER. I want to say to my colleague [Mr. Meeker] the gentleman from Massachusetts did not make an accusation against him, and I regret that he deems it necessary to make a defense. [Laughter.] Seriously, Mr. Chairman, I believe the time has come when the Members of this House ought to assert their individual manhood. If this Congress is going to legislate, we ought to legislate without seeking or obeying the mandate of the Efficiency Bureau. I am sick and tired of hearing gentlemen come here and justify their conduct by saying that a \$4,000-a-year man, who was glad to take a position at that price, is now the guardian and director of congressional

action and the keeper of congressional conscience.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RUCKER. I hope the time will come when this thing

will stop.

ill stop. [Applause.] Mr. VARE. Mr. Chairman—

Mr. CAMPBELL of Kansas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CAMPBELL of Kansas. Under what rule are we proceeding?

The CHAIRMAN. Why, we are proceeding under the fiveminute rule.

Mr. CAMPBELL of Kansas. Under what rule are gentlemen selected or preferred for recognition?

The CHAIRMAN. The Chair is just trying to alternate between the different sides of the House and the different sides. of the question. The gentleman who now has the floor is a member of the committee that reported the bill.

Mr. CAMPBELL of Kansas. The Committee on Appropria-

The CHAIRMAN. Yes. Everybody so far has had to get time by unanimous consent; there has been no motion.

Mr. MEEKER, Mr Chairman, I ask unanimous consent that the gentleman from Pennsylvania may be permitted to proceed out of order or in order as he chooses.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the gentleman from Pennsylvania may proceed either in or out of order for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. VARE. Mr. Chairman, it is very seldom as a member of the Committee on Appropriations that I disagree with the distinguished chairman of the committee [Mr. Sherley], for whom I have the very highest regard, and likewise concerning the chairman of the subcommittee which reported this bill [Mr. Bynns of Tennessee], and I regret very much that they do not come from great centers of business activity wherein they would have the opportunity of observing the importance of the great business interests of the community to a much greater extent, because that, combined with their great knowledge and ability, would make them a tower of strength to the business interests of the country by being more familiar with its operation. I have listened to the discussion on the floor to-day concerning the abolishment of these nine Subtreasurers' offices. It seems to me, on the one hand, we have the report of the Efficiency Commission recommending the discontinuance of these offices, and, on the other hand, we have absolutely no sympathetic favorable consideration or agreement with the commission from the Secretary of the Treasury or the Assistant Secretary of the Treasury.

Based on their knowledge of the service of this time-honored institution, the various interests in Philadelphia which go to make up the industrial life of the community and the prosperity of the surrounding territory, every business man whom I have approached, every commercial organization to whose attention this matter has been brought have been loud in their denuncia tion of the movement to destroy the Subtreasury system of the United States.

This bill provides that the action should be taken six months after the conclusion of the war, and that the activities of these institutions should be transferred to Washington. It is true that the Nation is looking to the centralization of authority and management, but is it well to make provision for such action in a matter where a broader scope of activity will be needed at the conclusion of the war? We might devote our attention to the better working order of things in the present era of commissions, boards, and committees to scatter broadcast the duties of our well-established Government. It seems to me that there has been too much legislation to hamper and interfere with business.

I have in my possession a letter from the Philadelphia Chamber of Commerce, in which Ernest T. Trigg, the president of that body, declares the "Philadelphia Subtreasury performs important functions in the commercial, industrial, and banking life of this community." I have another from Alfred E. Burke, chairman of the finance committee of the Manufacturers' Club of Philadelphia, in which he says that the "Subtreasury has been of immense value to the business and banking interests of the city of Philadelphia, and that the removal of the same would be nothing short of a calamity."

I could mention another from Emil Albrecht, president of the Philadelphia Bourse, where he says, "The Subtreasury here is of great assistance both to the Government and to the Federal reserve bank in the operation of Government work." And, mark you, gentlemen, these men, members of the three great commercial institutions and associations in the city of Philadelphia, are doing Government work second to none in any city in the United States. Is their "will" to be set aside for the recommendations of a committee on investigation, whose very report shows a narrow view on the subject at its best?

It is useless to go through the large list of banks and bankers who have protested against this provision, as it includes practically every bank in Philadelphia. The Philadelphia Clearing House, an organization in which the large banks of Philadelphia are represented, at its meeting last week protested against the removal of the Subtreasury by a unanimous vote.

Edwin S. Stuart, former governor of Pennsylvania and one of the most able and respected business men of the city, writes "that you can do no better service to the business interests of Philadelphia than making the effort to prevent the removal of

the Subtreasury from this city." Fred T. Chandler, president of the Philadelphia Stock Exchange, assures me that the Subtreasury is of great benefit to Philadelphia, as well as its neighboring communities.

The removal of the Subtreasury would cause confusion and delay, and I can not see why the present system should be disturbed. If it is because some sections of the country can not share in its benefits, enlarge its scope, do not destroy it. The Subtreasury in Philadelphia operates at a cost of about \$50,000. a year to the country, and it handles more than a billion dollars a year in receipts and payments. This work must be done somewhere, and I fail to see where it could be done with less cost or with as little confusion,

The importance of the Subtreasury can not be overestimated. It occupies a position in our financial structure which is of great importance. It is the medium through which gold exchanges are made, and I understand that it issues certificates for gold payments which under certain conditions can not be issued by the Federal reserve bank or any other agency under the present law.

Conditions will be very different six months after the war is brought to an end than they are at the present time. not estimate the relative value of our financial institutions for that time on present conditions, even if the Subtreasury were giving little or no service now. I feel that the prompt and unhampered transaction of all business at that time, when we again enter into competition with our presen, allies, will be more necessary than now, and to endeavor to legislate for a period six months from an unknown date is not businesslike.

I have sat in this House since May, 1912, and I have voted sympathetically with organized labor at all times, and I have supported the President on every occasion since his declaration of war in so far as his recommendations apply to war matters. [Applause.] I believe that we as Members of this House should stand with him in the conduct of the war. And I have no sympathy with those on either side who may on this question only give their half-hearted support, if there be a Member of this body who is so doing. I do not speak from a partisan standpoint, although I have the honor of representing the greatest Republican district in this country, Republican on every and all things, and I come from the greatest Republican city in this country, Republican on all occasions. In a recent campaign in my city the two elements of Democracy united, and with every great newspaper in that city favoring a combination Democratic ticket, the senior United States Senator from Pennsylvania subscribing and bolting his party and uniting with the Democrats. that great constituency could not be fooled, and the entire Republican ticket was triumphantly elected.

Mr. MEEKER. I would like to say that St. Louis was the first one back into the Republican column since 1912. forget that.

Mr. VARE. But we stayed in the Republican column in 1912. Do not forget that. [Applause.] We never left the Republican column and did not leave it last fall, notwithstanding the fact that there was not a single newspaper but that opposed the

Mr. Chairman, it seems to me that inasmuch as there is a division of opinion on the question of Subtreasuries, the Efficiency Commission on the one side and the opinion of the Secretary of the Treasury and his assistant on the other, that the needs and requirements of the great business interests of Philadelphia, as well as of the other communities, should be considered. Therefore I hope that the committee will strike out this provision and that the splendid service which has been rendered to the different communities for more than half a century, at least so far as Philadelphia is concerned, shall be maintained, [Applause.]

I insert the following letters:

[Letter from former Gov. Edwin S. Stuart, of Pennsylvania, now director in the Federal reserve bank.] March 1, 1918.

Hon. WILLIAM S. VARE, Washington, D. C.

My Dear Congressman: Much obliged for the copy of the report of the Bureau of Efficiency, relative to the question of the Subtreasury, in your telegram of yesterday. You can render no better service to the business interests of Philadelphia than making the effort to prevent the removal of the Subtreasury from this city.

With kind regards, I remain,
Yours, sincerely,

EDWIN S. STUART.

[Letter from Ernest T. Trigg, president of the Philadelphia Chamber of Commerce.]

Hon. WILLIAM S. VARE,

House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: In response to your wire of the 27th, regarding legislation being considered to eliminate the Subtreasury at Philadelphia and other cities, permit us to say that we consider the Philadelphia Subtreasury performs important functions in the industrial, commercial, and banking life of this community.

Philadelphia has a tremendous total pay roll. In supplying the different varieties of bills and coin the Subtreasury performs an invaluable service. Unless other machinery equally well adapted for this purpose is supplied, elimination of the Subtreasury would entail enormous inconvenience upon manufacturers, banks, and merchants. The banks of Philadelphia transferred most of their cash to the Federal reserve bank, with the understanding that an assortment of cash would be ready at hand for their use in the Subtreasury, and its supplies are, therefore, being used daily by the important banks for the benefit of the entire third Federal reserve district.

All forms of money, except Federal-reserve notes and national-bank notes, are being constantly redeemed at the Subtreasury. In short, it is a clearing house for currency and coin.

We sincerely trust that you will use your influence to retain the Subtreasury here.

treasury here. Yours, very truly,

[Letter from Alfred E, Burk, chairman finance committee of the Manufacturers' Club of Philadelphia.]

PHILADELPHIA, March 1, 1918,

Hon. William S. Vare, House of Representatives, Washington, D. C.

Dear Sir: Your telegram of the 28th, addressed to Mr. N. T. Folwell, president of the Manufacturers' Club, in reference to legislation eliminating the Subtreasury at Philadelphia, at hand. The Manufacturers' Club seriously protests against this legislation. The Subtreasury has been of immense value to the business and banking interests of the city of Philadelphia, and the removal of the same would be nothing short of a calamity. On behalf of the Manufacturers' Club, you can not too strongly protest against such legislation.

Respectfully, yours,

Chairman Finance Committee.

ALFRED E. BURK, Chairman Finance Committee.

[Letter from Fred T. Chandler, president of the Philadelphia Stock Exchange.]

Hon. WILLIAM S. VARE,

Representatives Office Building, Washington, D. C.

My Dear Congressman Vare: Your wire of the 27th instant is received. I feel that the Subtreasury at Philadelphia is a big and necessary asset to our banking institutions and large commercial interests, and should by all means be retained. I feel certain that the banking institutions as well as our business interests here will enter a strong protest against its removal.

If you will permit me, I would suggest that you communicate with the heads of our several banks, the chamber of commerce, etc., so that their protests may be forwarded to you.

If there is any way in which I can further assist you, I will be glad to receive your commands.

With kindest regards, I am,

Very truly, yours,

Fred T. Chandler.

FEBRUARY 28, 1918.

[Letter from Edwin Wolf, of Wolf Bros. & Co., bankers.] FEBRUARY 28, 1913.

Hon. WILLIAM S. VARE, Washington, D. C.

DEAR SIR: Am opposed to the removal of Subtreasury from Philadel-phia and other cities to Washington, as proposed in legislation now

bhia and other cities to washington, as proposed before Congress.

Their removal would cause untold confusion and delay, not only to the banks and banking community but to all business, and I certainly feel the present system should not be disturbed, and would urge you to use your endeavors to prevent such removal.

Respectfully,

CLARENCE WOLF.

PHILADELPHIA BOURSE, Philadelphia, February 28, 1918.

Hon. WILLIAM S. VARE,
House of Representatives, Washington, D. C.

Hon. William S. Vare.

House of Representatives, Washington, D. C.

My Dear Mr. Vare: I have your telegram in relation to the legislation designed to discontinue the Subtreasuries at Philadelphia and other cities and asking for information as to the service rendered to the community by the Subtreasury and the effect it would have upon business in general if the same were removed to Washington.

I had the impression that the provision in one of the bills recently before the House for discontinuing these Subtreasuries had been stricken from the bill, but I suppose from your telegram that the matter has been revived in some other form.

It seems to us unfortunate, and we fall to understand the necessity, that the question of removing the Subtreasuries from Philadelphia and from other cities should be raised almost every session of Congress. We fall to see that any arguments have yet been made which would indicate that greater efficiency would be obtained or any less expense incurred by such removal.

We understand that the Subtreasury in Philadelphia is operating at an expense of about \$50,000 per annum and handles very close to \$1,060.000,000. The work here performed must necessarily be done somewhere, and the expense we feel could not be reduced, while the convenience to the banking and general business interests of this city and vicinity would be very much curtailed if the operations now performed by the Subtreasury had to be carried on in Washington.

The Subtreasury here is of great assistance both to the Government and the Federal reserve bank in the operation of Government work, and it does not appear feasible or practicable to combine these institutions, consequently for this, if for no other reason, in our judgment and in that of representatives of the largest banks, the Subtreasury should remain in Philadelphia.

The Philadelphia Clearing House Association at its meeting to-day had this proposed legislation up for consideration, and finally decided to wire you and other Members of Congress from this city

matter of the supply of minor coins, which are vitally necessary in payroll work and as a place of deposit for the banks and public-service corporations of their excess of subsidiary coins, and we doubt very much whether these could be successfully handled by the Federal reserve

corporations of their excess of subsidiary coins, and we much whether these could be successfully handled by the Federal reserve bank.

We understand further that the Subtreasury is the medium through which gold exchanges are made, and that it issues certificates for gold payments under certain conditions, which could not under the present law be issued by the Federal reserve bank or any other agency.

The Subtreasury occupies a place in our financial structure which is of great importance. We can see no reason or excuse on the grounds of economy or efficiency that it should be closed and the community thereby be put to the delay and inconvenience that would be caused by its discontinuance. Finally, as we understand from your message that the proposed legislation provides for the discontinuance of the Subtreasuries six months after the war, we feel that we can not protest to strongly against the enactment of legislation which is to take effect six months after an unknown date in the future and at a time when conditions may be very different from those at the present time and require even more than now every facility for the prompt transaction of business that we possess. We respectfully submit that after the end of the war there will be ample time to consider the necessity for making such a radical change, and sincerely trust that any attempt to change the present condition may be at least laid aside until after the war is over.

I hope to be able to send you to-morrow some additional information on the subject, as I have requested the tanking interests of the city to give prompt consideration to the subject, and I am advised that it will have the attention of the clearing-house committee to-morrow morning, after which I will write you further or you will hear directly from that committee.

Thanking you for giving us this opportunity of expressing our views,

Thanking you for giving us this opportunity of expressing our views, and assuring you of our appreciation of your efforts to prevent the discontinuance of any of the facilities already possessed by our city, I remain, Very truly, yours,

EMIL P. ALBRECHT, President.

Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection? Mr. WALSH. I do not think it is hardly fair, Mr. Chairman, that the request should be granted. I appreciate the gentleman is a member of the committee, and if he insists I will not object.

Mr. VARE. I hope the gentleman will withdraw his objection. I will finish very soon.

Mr. RUSSELL. Mr. Chairman, reserving the right to object,

I have no objection, except I would like to know if in allowing one Member 10 minutes some of the balance of us may be able to get two or three minutes? I am a little afraid that they may close debate and some of us who want to say a few words may not get any time at all.

However, I will not object.

Mr. BYRNS of Tennessee. Mr. Chairman, may I submit a request for unanimous consent? The opposition to this paragraph, those who favor striking it out, have had 20 minutes. Now, I ask unanimous consent that further debate upon the paragraph and all amendments thereto be limited to one hour, one-half to be controlled by myself and one-half by the gentleman from Pennsylvania.

Mr. MADDEN. Is this in addition? Mr. BYRNS of Tennessee. In addition. My request gives to the opposition to this paragraph 20 minutes the advantage. In other words, it gives them 50 minutes and gives 30 minutes to the other side.

Mr. PLATT. Reserving the right to object, I want to speak

against the amendment, striking it out.

Mr. BYRNS of Tennessee. The gentleman is against the amendment?

Mr. PLATT. Yes.

The CHAIRMAN. The gentleman from Tennessee [Mr. Byrns] asks unanimous consent that debate on this paragraph and all amendments thereto be extended one hour, one-half to be controlled by him and one-half by the gentleman from Pennsylvania [Mr. VARE]. Is there objection?

Mr. GARD. Reserving the right to object, who has control

of the time in favor of striking out the paragraph?

The CHAIRMAN. The gentleman from Pennsylvania [Mr.

Mr. GARD. May I have five minutes of the gentleman's

Mr. VARE. I shall be happy to divide the time equitably among all those who speak, but I have not any list of those who desire to speak.

A MEMBER. The regular order, Mr. Chairman.

The CHAIRMAN. The question being the regular order, the regular order is, Is there objection? [After a pause.] The Chair hears none.

The gentleman from Tennessee [Mr. Byrns] is recognized. Mr. BYRNS of Tennessee. I understand, Mr. Chairman, the gentleman from Pennsylvania [Mr. VARE] controls

The CHAIRMAN. The gentleman from Pennsylvania controls 30 minutes and the gentleman from Tennessee 30 minutes.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from New York [Mr. Platt] five minutes.
Mr. PLATT. Mr. Chairman, I have been in favor of abolishing the Subtreasuries ever since the Federal reserve banks were established, and I think I have either made a motion to cut out the appropriations for the Subtreasuries in this appropriation bill each year since 1913 or else have supported such a motion, and I am very glad to find that the great Committee on Appropriations, after full hearings, has at last decided to recommend that the Subtreasuries be abolished six months after the end of the war and has so written the paragraph under discussion of the legislative, executive, and judicial appropriation bill.

I am strongly opposed to the pending amendment to strike

I am strongly opposed to the pending amendment to strike out the paragraph. I do not see how anybody can read the report of the Bureau of Efficiency without being convinced that this paragraph should remain in the bill and that the Subtreasuries should be abolished as useless and as a very considerable source of expense to the people of the United States. The Bureau of Efficiency "has found no function at present exercised by the Subtreasuries which can not be performed as well by Federal reserve banks or other agencies." The Subtreasuries cost \$604,042 in the last fiscal year, \$455,705 of which was for salaries alone. It is estimated that 75 per cent of this can be saved by abolishing the system. Why, in the name of common sense, then, should it be retained, especially at a time when the resources of the Nation will be strained to the utmost to pay the enormous expenses of the war?

The report of the Bureau of Efficiency is absolutely convincing to anyone who knows anything about the financial affairs of the Government and the workings of the Federal Reserve Banking System. It shows that the old-time functions of the Subtreasuries have in fact, been gradually absorbed by the banks, a process that has been going on for years, until now most of the fiscal functions have already been transferred.

The majority of the receipts and disbursements of the Government go through the national depository banks, including the Federal reserve banks. Every day the collectors of internal revenue and of customs put their receipts in the depository banks. The postmasters deposit their surpluses. All checks are now drawn directly against the Treasurer at Washington. These checks will be cashed as readily at any depository bank as at the Subtreasury.

The Subtreasuries are therefore simply a fifth wheel on the wagon—useless and even cumbersome.

It does not seem to me that the Bureau of Efficiency has stated all of its arguments as strongly as they might well be stated. It has indeed hinted that the abolition of the Subtreasuries would be in the direction of a mobilization of our resources, but it has not stated strongly enough that every bit of gold or silver held in the Subtreasuries beyond the trust funds which are back of the gold certificates and the silver certificates and the greenbacks, is hoarded and out of circulation-a source of weakness rather than strength to our whole fiscal system. Such money belongs in the banks, where it can be loaned under proper safeguards to uphold the business of the The bureau, too, has understated the advantages that country. would accrue to the banking system, and especially to the Federal Reserve banks, from the abolition of the Subtreasuries. It has failed entirely to state that two sets of paper money issued against the same piece of gold are unnecessary. To-day gold certificates are issued against a certain sum of gold, and then the Federal reserve banks take the certificates and issue Federal reserve notes against them dollar for dollar, impounding the certificates in their reserves. They might just as well have the gold itself in their reserve vaults instead of having it in the custody of the Subtreasuries and issue their notes directly against it, thereby saving the overworked Bureau of Engraving and Printing the entirely unnecessary labor of printing the certificates, which add nothing whatever to the circulation of the country.

Do not misunderstand me. I do not mean to say that no gold certificates whatever would need to be printed if the Subtreasuries were abolished, but I do mean that those against which the Federal reserve banks issue notes would not be printed, because the gold itself would be taken out of the Subtreasuries and put in the custody of the reserve banks where it belongs.

Mr. Chairman, I have listened with some amazement, not to say amusement, to the arguments of the gentlemen from Philadelphia and Boston and Baltimore, who have told us what a great blow to their cities the abolition of their particular Subtreasuries would be. Nobody has expressed the opinion that the city of New York would be injured if its Subtreasury, which does far more business than all the others put together, were abolished, nor has anybody yet suggested that Chicago would be seriously damaged by the loss of its Subtreasury, which is second in amount of business transacted. But Philadelphia—well, I had always supposed that those stories about the slowness of Philadelphia were fakes until I heard the cloquent gentlemen who represent that overgrown village tell us how they would suffer without this antique institution. I do not know how much of this argument is genuine and how much of

it is just an effort to hold the jobs of the assistant treasurers and their subordinates. It is a mighty difficult thing to abolish a job once well established, no matter how useless it has become.

Mr. GALLIVAN. I regret to say that the gentlemen who are holding the jobs in Boston are, 99 per cent of them, Republicans, and yet I speak for them.

Mr. PLATT. I am not at all unwilling, although they are Republicans, that they shall lose their jobs at the present time in the interest of the Government. There is plenty of more

useful work that they can find to do.

Now, the Subtreasuries have in their vaults a part of the trust funds that are kept back of the gold certificates and silver certificates. The report of the Bureau of Efficiency shows that these trust funds are not segregated by themselves, but are kept separate in the bookkeeping. It shows that all this metallic money can easily be taken care of in the Treasury at Washington, in the assay office and in the mints. In Philadelphia these funds are partly in the mint, in New York largely in the assay office now, and they can just as well be kept there. The vaults at Washington contain an enormous quantity of silver dollars. The gold is far more concentrated in volume, and presents no great difficulty. It is conclusively shown that the vault space in the Subtreasuries is not absolutely necessary for the safe-keeping of the gold and silver of the United States. The Federal reserve banks have vaults, and the Treasury here at Washington has vaults. The free gold and silver-that which is not a part of the trust funds-ought to be in the banks. Every consideration of economy and of sound finance demands that the Subtreasuries should be abolished. The amendment ought to be [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman from Pennsylvania [Mr. Vare] use some of his time?

Mr. VARE. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. Linthicum].

The CHAIRMAN. The gentleman from Maryland is recognized for five minutes.

Mr. Linthicum. Mr. Chairman and gentlemen of the committee, I can not understand why at each session of Congress we are compelled to make this fight for the retention of our Subtreasuries. We are voting billions of dollars in this great war, and here you propose to come to Baltimore and to these other cities and absolutely disrupt the financial system which has existed there for the last 72 years. We have been doing business at these Subtreasuries, including the one at Baltimore city, for 72 years. Federal reserve banks have been assigned to all the cities as large as Baltimore throughout the country, and just the other day you established a Federal reserve branch in Baltimore.

I might say that even in this report this Bureau of Efficiency recommends that the Subtreasuries at Baltimore and Cincinnati be abolished at once to see if it works out all right, and if it works out all right that the others be abolished also. In other words, the plan is to "try it on the dog," and if it works out all right on the "dog," then to try it on the other cities.

Now, the expense is not very large—\$31,500 to do a business

Now, the expense is not very large—\$31,500 to do a business of \$314,000,000. I do not see anything in the Government service, as far as I can notice, that is anything like so efficiently and economically performed as these Subtreasuries. Nine of the largest cities in the country have been doing their business through these Subtreasuries, and at this time, when the war is in progress and everybody is making sacrifices, all the strength of our people and the revenue ought to be put into the prosecution of this war instead of trying to trim off some little matter of \$31,500 in our city. You appropriate billions of dollars, you appropriate in blocks millions of dollars, and yet you come and talk about lessening the expenses of the Government by cutting off a few Subtreasuries.

Baltimore is trying to do its part. All the other cities are doing their part, and it does seem to me that, Congress having passed upon this matter within the year and having definitely decided not to do away with the Subtreasuries, we ought not to be compelled to come again each year and make the fight over again. When is the fight to cease? I heard the gentleman from Wisconsin [Mr. Cooper] in private conversation say that Congress had been making the fight against these Subtreasuries for 15 years. If you would count the time and the value of the time that Congress has consumed in trying to do away with these Subtreasuries, you would find that it amounts to more in dollars and cents than the Subtreasuries have been costing the Government.

gentlemen who represent that overgrown village tell us how they would suffer without this antique institution. I do not know how much of this argument is genuine and how much of Subtreasuries. He said so in his letter, and gives specific reasuring.

sons for his opinion. Every man in these Subtreasuries, if they are abolished, will be located in some other department of the Government, and you will not save any expense. They either be brought to the Treasury Department here or they will be put in other local institutions conducted by the Government in the various cities. They are all good and efficient men and the Government needs them; and if they do not carry on the work of the Subtreasuries in their respective cities, where they are most accessible, they will have to do the same work here in Washington in the Treasury Department. The work must be performed. It is necessary work, and whether it is done locally or in the National Capital, in Washington, it will not save any expense to abolish them.

I want to say to the committee that it should be fair about its matter. The Secretary of the Treasury has recommended this matter. that these Subtreasuries be continued. Congress not more than a year ago passed upon the subject and determined by a large vote that the Subtreasuries ought to be continued. The Efficiency Board has made only slight examination. It is not right and proper that the fight should be continued every year. Let

us have peace in this matter. [Applause.]
Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. Cox].

The CHAIRMAN. The gentleman from Indiana is recognized

for five minutes

Mr. COX. Mr. Chairman, this is a repetition of the old, old fight that Congress observes every time it undertakes to remove some old barnacle fastened on the country which is good for nothing but to give somebody a job. That is all there is in it, and all there is about it. Many of you Members here to-day were here five or six years ago when Congress undertook to unhorse and throw out a lot of old antiquated pension agencies throughout the United States. It was proven by various Secretaries of the Interior that they could be abolished and save \$125,000 a year to the Treasury of the United States. If I recollect correctly, it took three years of constant, continuous, hard, eternal hammering before that bunch of men were dislodged. One of them was in my own State, in the city of Indianapolis, where they paid approximately \$10,000,000 a year to the soldiers. The banks in the city of Indianapolis had an interest in it. During that period of time I got letters and telegrams by the hundreds from banks in the city of Indianapolis asking me to oppose the demolition of the pension agencies through the United States, but Congress eventually abolished them and the old soldier got his pension on schedule time just as he had

You all remember in the last three years the desperate fight that the gentleman from New York, Mr. Fitzgerald, had in trying to dislodge a lot of trustees at the Soldiers' Home, and if he had not been joined by the able and distinguished gentleman from Illinois [Mr. CANNON] I doubt whether he would ever have been able to eliminate a lot of officials there.

Here is the same old fight. Just look at it. You may turn and twist the English language as much as you like. There is nothing in this whole business except holding a few jobs in these

Subtreasury cities,

I was chairman of the Committee on Expenditures in the Treasury Department from 1910 to 1912, and my committee undertook to investigate this same identical question. We had before us Mr. McVeigh, a very prominent and able Secretary of the Treasury, and he said that he was not quite in favor of their abolition at that time, but he said if we had a central bank in this country that from that time on they would serve no purpose and no use and be of no benefit whatever to the financial interests of the country. It is hard for me to understand how a man can stand up here and argue that it would not bring about any economy to abolish them. I do not remember the exact amount that is paid out for salaries, but it is something like \$700,000 paid out now to these officials of the Subtreasuries.

What can they do with that office force? Why, we are taking on employees here by the thousands. We are soon going to be asked to appropriate \$50,000,000 to build buildings for the employees coming in here. We could release that number of employees now in the Subtreasuries and send them here without depletion of the civil service lists. It is a question of economy, and you can abolish every one of these Subtreasuries and not disturb the business interests of any city one iota; it will move onward and forward and upward just as fast as it is moving

downward.

ownward. [Applause.] Mr. CAMPBELL of Kansas. Just as the pension offices were

abolished.

Mr. COX. Absolutely; I have discussed that. There is nothing in it but the question of jobs.

The CHAIRMAN. The time of the gentleman from Indiana

has expired.

Mr. VARE. Mr. Chairman, I yield three minutes to the gen-

tleman from Missouri, Mr. Russell. Mr. RUSSELL. Mr. Chairman, I am in favor of this amendment proposing to strike out that clause of this bill that undertakes to abolish the Subtreasuries of the country, and for the information of the Members I may say I do not live in one of the cities where a Subtreasury is located. While I am in the same State where there is one—in the city of St. Louis—I am not very close to that city, but, in fact, a long ways from it. I know that the banking interests of that State, and I believe of the entire country, appreciates the Subtreasuries of the country as an important part of the financial system of this Government and want them preserved.

This is a proposition to strike down the Subtreasuries, as I understand, without any information as to what is to take the place of them. I am advised that the work which to-day is being done by the Subtreasuries must be done somewhere, and if the Subtreasuries are abolished that work must be transferred to some other branch of the Government; and when you do that, the expenses—as I am informed by those who are in position to know the most about it—will probably be just as much as they are to-day, and the work will likely not be done as well or as

satisfactorily as at present.

I am opposed to sudden and radical changes in our financial system, and especially so unless there is to be something beneficial accomplished as a result of the change. I am not convinced that there will be any improvement by the proposition suggested here. My information is that the able Secretary of the Treasury, the recognized head of our Government's fiscal affairs, has not advised the abolition of these institutions, but

that his judgment is against such action.

Let me suggest that this is a proposition to abolish the Subtreasuries, putting them out of business six months after the war is closed, which is an indefinite time. This war may last, although I hope it will not, but may last two or three or four Why hasten to-day to pass this act to repeal the law establishing these Subtreasuries at an indefinite time like that without substituting anything in their place? As this is not to take effect until six months after the war is over, I submit that the sensible thing to do would be to delay action till that time comes, and then in the time and light of peace to determine what is best

The CHAIRMAN. The time of the gentleman has expired. Mr. VARE. Mr. Chairman, I yield five minutes to the gen-

tleman from California [Mr. KAHN].

Mr. KAHN. Mr. Chairman, San Francisco is a Federal reserve city, and it also has a Subtreasury. So that if the work of the Subtreasury be given over to the Federal reserve bank, San Francisco, in one sense, will not be a loser. But what is the condition in the Subtreasury and in the Federal reserve bank in San Francisco at the present time? I understand that the Federal reserve bank in that city has been having so much work that it has had to rent additional quarters in one of our large office buildings. I am informed it has a force of about These are undoubtedly necessary to do the voluminous work of the Federal reserve bank alone. The Subtreasury has been doing and is now doing a very large percentage of the work in connection with cashing the coupons of the bonds issued, the payments of large sums of money in other directions. and the transferring of the bonds from the Treasury of the United States to the Federal reserve bank with a clerical force that was fixed by law many years ago, and at a stipulated cost. It is being done much cheaper, I dare say, under the present system than it could possibly be done under the Federal Reserve Bank System. If the Federal Reserve Bank System requires in that city alone the employment of a hundred clerks, how many additional clerks will be required to do the added work of the Subtreasury? Mr. PLATT.

Will the gentleman yield?

Mr. KAHN. Yes.

Mr. PLATT. As a matter of actual fact, all of the warrants and the notes that go to the Subtreasury to be cashed go through the Federal reserve banks and the national banks now. All you have got to do is to stop them there and not allow them to go to the Subtreasury.

Mr. KAHN. I understand the Subtreasury pays large num-

bers of those demands, and I shall ask leave to insert in my remarks some figures to show just what the Subtreasury in San Francisco is doing-work entirely independent of the Federal reserve bank.

Mr. PLATT. Is it not a fact that the payments they make are on business that comes to them through the banks?

Mr. KAHN. No; that is not altogether so. Mr. PLATT. That is what the report of

That is what the report of the Bureau of Efficiency shows.

Mr. KAHN. I think they have been misinformed. I shall state, as I proceed in my remarks, quite a list of work that has been done by the Subtreasury at San Francisco that is not being done by the Federal reserve banks. I suppose that you could pass a law to have the Federal reserve banks do that work. want to be fair about it. I say, however, that if that is done they will have more employees doing it than the Subtreasury has and that instead of saying money to the Treasury you will add largely to the expense of the taxpayer. This House fixes the number and status of employees in every one of the Subtreasuries. It fixes their salaries; there is a legislative limitation. How will you limit these things if the Federal reserve bank does the work? Why, the managers of the Federal reserve banks get larger salaries in practically every Federal reserve-bank city than the Subtreasurer and two or three of the leading employees, put together, get in the Subtreasury.

I do not know what the conditions may be in the other Subtreasury cities of this country, but I am fairly familiar with the conditions in San Francisco. And I may say that the conditions are apt to be so different in the various cities that each case ought to stand on its own merits. There should be a full investigation made by the Treasury Department as to this entire matter. I understand that neither the Secretary of the Treasury nor the Assistant Secretary of the Treasury has recommended the legislation for the abolition of the Subtreasury at this time or even in the immediate future.

At San Francisco all Federal reserve notes issued are forwarded to the Subtreasury and there delivered to the Federal reserve banks on order of the Treasury Department. coupon bonds of the Government are dealt with in the same way, the Subtreasury acting for its principal in Washington. In this way the San Francisco Subtreasury has delivered to the Federal reserve bank, fiscal agency for the twelfth district, coupon bonds of the liberty loans amounting to \$350,000,000. It pays all demands of the Government that are presented over its counters by individuals, banks, and Federal reserve banks. It issues and redeems all Government currency in coin for the entire Pacific coast, thus saving the banks the cost of transportation that would be assessed if the business had to be carried on from Washington. The war has added greatly to the amount of work of the San Francisco Subtreasury. The amount of money required, the increased number of disbursing officers' checks handled and paid, the distribution to the Federal reserve banks and other banks of their currency, the keeping and dis-tributing of liberty bonds, and the payment of interest coupons on these bonds, with other additional duties has required the office force of the Substreasury, which has not been increased since the war, to constantly work overtime.

The Subtreasury is paying most of the interest coupons on the

liberty bonds for the twelfth Federal reserve district, the pay-

ments on these coupons running as high as \$65,000 a day.

As I have already stated, if this work be transferred to the Federal reserve banks, I feel confident that a large clerical force will be necessary to handle it. force will be necessary to handle it, and the \$27,000 a year which the Government now pays for the maintenance of the Subtreasury will be materially augmented by the reserve bank. Congress, of course, will not have the right to limit the number

and the pay of these employees.

For these reasons I am in favor of the pending motion to

strike out the paragraph from the bill.

I desire to print as a part of my remarks the statement of William J. McGee, Assistant Treasurer of the United States in San Francisco, which was published in one of our newspapers about a year ago:

STATEMENT OF WILLIAM J. McGre, Assistant Treasurer of the United States at San Francisco.

Several articles have recently been published in favor of the abolition of United States Subtreasuries.

It was contended in these articles that the Subtreasuries should be abolished because their employees were appointed as a reward for political services, and that the duties and functions of the Subtreasuries could be absorbed by the Federal reserve banks, and thus great expense saved to the Government.

All of the Subtreasury employees, except the assistant treasurers, are under civil service; no one can be appointed to this service except eligibles who have passed civil-service examinations and are certified by the Civil Service Commission, and then the selection must be made from one of the three highest on the list; nearly every employee of the San Francisco Subtreasury has held his position for from 15 to 25 years; recently an employee resigned; all the employees under him were promoted one position, and the Civil Service Commission held a competitive examination for the vacant clerkship thus created; over 50 bright young bank clerks took this examination, which was a rigid one; a dozen passed, and the 3 highest were certified as eligibles, and from their number 1 was chosen.

FUNCTIONS ARE VARIED.

The functions of the Subtreasuries are generally as follows: The payment of United States coupons and interest checks, payment of checks, warrants, and drafts drawn against the Treasurer of the United States and presented at a Subtreasury for payment; deposits of postal savings funds direct and money-order funds, direct and indirect; deposit

of post-office funds, direct and indirect; deposit on account of 5 per cent redemption fund; deposit of funds belonging to disbursing officers; deposit of interest on public deposits; funds deposited for transfer to some other point through a payment by a Subtreasury located thereat; exchange of various kinds of money for other kinds that may be required; remittance from United States depositary banks of their surplus deposits of internal revenue, customs, money-order, postal, and similar funds; laundering of unfit currency which permits of this process; cancellation (before shipment to Washington) of unfit currency; acceptance of gold and silver certificates for redemption; issue of gold-order certificates on gold deposits; acceptance of Tractasury notes for redemption; acceptance of gold coins for exchange; acceptance of United States notes for redemption; acceptance of fractional silver for redemption.

THIRTY MILLION DOLLARS HANDLED WITHOUT LOSS.

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In addition the Treasury Department often assigns special duties to the Subtreasuries. For instance, the assistant treasurer at San Francisco represented the Comptroller of the Currency during the money stringency in 1914 and was chairman of the committee that passed on the securities offered for emergency currency.

Thirty million dollars was handled by the San Francisco Subtreasury on these emergency currency loans without a loss. The interest collected would pay the expenses of the San Francisco Subtreasury for years. This entire work was done without cost to the Government.

The San Francisco Subtreasury has now in process of collection 200 promissory notes of American refugees living in this vicinity who were in Europe at the beginning of the war, and who, under an act of Congress, were loaned funds for their return passage. These collections are also made without expense to the Government.

Panama Canal tolls are paid at this Subtreasury, and the owner of a vessel may pay the toll the day the ship is ready to enter the canal and have the canal advised by wire, which is a very great convenience to commerce.

Just now the San Francisco Subtreasury is receiving subscriptions

to commerce.

Just now the San Francisco Subtreasury is receiving subscriptions for stock in the Federal land bank at Berkeley.

It is true that the Federal reserve banks could discharge most of the duties of the Subtreasuries, but they could not do this without employing an additional force of employees with similar skill and experience as those now doing the Subtreasury work, and the reserve banks would have to pay as high, if not higher, salaries for this service than are now being paid by the Government.

WOULD EFFECT NO SAVING.

I dislike to make personal comparison, but in support of this contention a comparison might be made between the salaries of the governors of the Federal reserve banks and those of the reserve banks and those of the cashiers of the Subtreasuries, and I venture to suggest that it will be found that the principal employees of the reserve banks are receiving more than twice as much salary as the principal employees of the Subtreasuries. treasuries.

The Federal reserve banks are private corporations, like national banks, and the duties of the Subtreasuries could not be imposed upon the reserve banks without compensating them.

It might not be necessary or wise to continue indefinitely all of the Subtreasuries where even most of the business could be taken over by Federal reserve banks, but such a change can not be made except by proper legislation and negotiation and agreement regarding compensation to the reserve banks for the service; it certainly would be most nuwise to stop abruptly all the business of the Subtreasuries by failure to make provision for their maintenance, as was recently attempted in Congress, without transferring their functions by proper legislation.

The amount of Government funds held by the nine Subtreasuries on June 30, 1916, was \$700,000,000 and the total transactions of these nine Subtreasuries during the fiscal year ended June 30, 1916, was nearly \$5,000,000,000 and at an expense of about \$500,000, or approximately one one-hundredth of 1 per cent.

LEAST IN EXPENSE.

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The San Francisco Subtreasury is third in number in assets, ranking next to New York and Chicago, third in the list of business transactions, and yet ninth, or the least of all the Subtreasuries, in expense of maintenance.

This Subtreasury at the end of the last fiscal year carried about \$100,000,000 in funds, its transactions during the last fiscal year amounted to nearly \$300,000,000 and its cost of maintenance was, in round numbers, \$25,000.

And as stated by the Secretary of the Treasury, if these Subtreasuries were abolished the total cost of operating them would not be saved, as a counter expenditure by the office of the Treasurer in Washington, resulting from the Increased work that would be thrown upon that office, would be entailed, or if arrangement was made with the Federal reserve banks to do the work they would have to be compensated. In addition to the foregoing duties and functions of the Subtreasuries, they have the custody of a large part of the reserve and trust funds, consisting of gold coin and silver dollars deposited to secure gold and silver certificates and greenbacks; vault space is required for the deposit of these trust funds, especially the silver dollars. The new San Francisco Subtreasury building, which has only been completed a year and a half, cost approximately \$500,000, and its vaults, among the largest and best in the country, cost \$130,000. Besides the large amount of gold coin stored in these vaults, they contain over \$25,000,000 in silver dollars. nearly all of which are held as trust funds against outstanding silver certificates.

COULD NOT STORE FUNDS.

None of the Federal reserve banks have the facilities for storing these trust funds, and if they provide such facilities they would necessarily have to make a considerable charge for the safe-keeping of these prodigious sums of money.

The present Secretary of the Treasury and other Secretaries of the Treasury have always been very much opposed to committing the custody of these trust funds to any private institution or institutions; the custody of these trust funds, their maintenance, direction, control, and administration are distinctly a governmental function, and, according to the contentions of the Treasury Department, should be exercised by the Government.

A large portion of the money in the Subtreasurles are trust funds which really do not belong to the Government and can not be used by the Government, because they are held as security for the payment of gold and silver certificates and greenbacks; hence it is a fallacy to argue that this money should be put in circulation through the medium of Federal reserve banks; any agency that holds this trust fund must hold it as a trust fund, or, in other words, must hold it in storage.

San Francisco is a city of commerce, and the Subtreasury here performs a highly useful service in furnishing merchants full-weight gold coin for shipment to the Orient to settle trade balances. During the past six months \$15,000,000 in gold coin has been withdrawn from the San Francisco Subtreasury for shipment across the Pacific.

Aside from the convenience to the business public provided by the Subtreasuries in the large centers of business in the country, it is not considered good business safety to have all the money held by the Treasury Department, about \$2,000,000,000, nearly all of which is trust funds, stored in one place; and if it was that place would be a shining mark for the first enemy that undertook to invade the country.

In conclusion, it is not claimed that the Subtreasuries are necessities, but they are conveniences, and it is the duty of the Government to provide adequate facilities to meet the convenience of the public in all parts of the country. San Francisco is 3,000 miles from the Treasury at Washington, and if the Subtreasuries are to be reduced from nine to three, as recently suggested in Congress, shall the San Francisco Subtreasury, which is the only one west of the Mississippi River, and which serves also Alaska, the Philippines, and the Hawaiian Islands, be one of the three?

Mr. BYRNS of Tennessee. Mr. Chairman, I yield three min-

Mr. BYRNS of Tennessee. Mr. Chairman, I yield three minutes to the gentleman from Illinois [Mr. Foster].

Mr. FOSTER, Mr. Chairman, I am opposed to this amendment. Illinois has a Subtreasury, located in the city of Chicago. I suppose it does about as much business possibly as any Subtreasury in the United States, but it is a useless place, and we ought to abolish it. There is no excuse for retaining all these Subtreasuries. One of the arguments made, as I remember, when we passed the Federal reserve bank bill was that it would do away with the Subtreasuries of the United States. Still we are asked each year to appropriate a large amount for Sub-treasuries. There are just nine reasons to my mind why we ought to appropriate for Subtreasuries, and that is to give nine men jobs. If there is any other reason, I do not know what it is. Mr. IGOE.

Mr. IGOE. Mr. Chairman, will the gentleman yield? Mr. FOSTER. Not now. I remember that year after year, I do not know how many, but for a number of years we fought here in Congress over a lot of pension agencies, just because these agencies scattered throughout the country, in the cities of Chicago, Des Moines, Indianapolis, Pittsburgh, Philadelphia, or New York, or wherever they were located, were affording jobs. We had all those pension agencies and we could not get rid of them. They told the soldiers that if we abolished the pension agencies they would not receive their money until a long time after it was due; but the pension agencies were finally abolished and the soldier received his pension more promptly than he did before.

Now, here we are asked to continue in a time of war, when we are taxing the people for every dollar they can stand, and will be compelled to do so for a long time, to maintain a lot of worthless offices. It might be a nice thing to have a Subtreasury in every city of any size, but it is unfair to the people we represent that we should be asked to appropriate simply because it favors Baltimore, or Chicago, or San Francisco, or Boston, or any other city in the United States. We should not waste the money. It costs more than \$600,000 to maintain them. Most of this amount could be saved if they were abolished.

Mr. GALLAGHER. Will the gentleman yield?

Mr. FOSTER. No; I can not yield now. Mr. GALLAGHER. I want to ask my colleague about the Subtreasury at Chicago.

Mr. FOSTER. Oh, I will yield to my colleague; certainly. Mr. GALLAGHER. Does the gentleman know who the assistant treasurer at Chicago is, and where he hails from?

Mr. FOSTER. Yes; he hails from down the State, and he is a very good man, a splendid Democrat; but that does not alter the case one bit. We ought not to retain a man or the office just because he is a good man when the office he holds is useless, it does not make any difference from what political party he comes.

By unanimous consent, Mr. IGOE and Mr. Platt were given permission to extend their remarks in the Record.

Mr. VARE. Mr. Chairman, I want to have the clerk read a letter from the ex-Governor of Pennsylvania, who is and has been a director in the Federal reserve bank in Philadelphia since it inception.

The CHAIRMAN. Without objection, the Clerk will read the letter referred to.

The Clerk read as follows:

PHILADELPHIA, February 28, 1918.

Hon. WILLIAM S. VARE, M. C., Washington, D. C.

Washington, D. C.

Dear Mr. Congressman: Your telegram in reference to the removal of the subtreasury at Philadelphia received. The subtreasury is a very necessary and useful institution to the business and banking interests of Philadelphia.

Philadelphia has become and is continuing to develop as an important financial center, and the subtreasury being located here is of great benefit to the business life of the city. It would be a great mistake to have it removed.

I think that the question of what shall be done six months after the conclusion of the war can be taken up at that time and not settled now. With kind regards, I remain,

Yours, sincerely,

Edwin S. Stuart.

Mr. VARE. I yield five minutes to the gentleman from Massachusetts [Mr. TAGUE].

Mr. TAGUE. Mr. Chairman, since I have been a Member of

this House, on all appropriation matters, especially matters pertaining to the several departments, I have tried to get whatever information I could from those whom I thought were best fitted to give the information, and so on this question to-day I am going to follow the same course.

The information that we have received as to why these Subtreasuries should be abolished comes from a bureau recently appointed by this Congress. In the opening of their report to the Congress of the United States and to the country almost one of the first sentences is this:

The Bureau of Efficiency have not attempted to make an exhaustive study of the efficiency and economy with which the Treasuries are now

Mr. Chairman, this is the report of the Bureau of Efficiency, yet they have made no report as to the efficiency of the Subtreasuries, but go on to say that they are well managed, and have cared for the funds of the Government in a proper manner. If this were an appropriation for the War Department and I desired information, I would consult those who are in touch with conditions and know the wants of the War Department to tell this Congress what is best for that department. The same applies to every other department. In this instance the Secretary of the Treasury sends a letter to the Speaker of this House and he says that these Subtreasuries should not be abolished. But this Bureau of Efficiency comes in and says they should be abolished, for what reason? Not as a matter of efficiency, not as a matter of economy, but that the service of these departments is not required, and it should be given over to the private interests of the reserve banks, which are run by men elected by the banking institutions of the several cities where the reserve banks are located. Mr. Chairman, these reserve banks do not do the business of all the banks in the community, but merely with the members of their associations, while the Subtreasuries not only do business with the banking institutions but they do business with the business men in all the large communities wherever they are located.

Mr. Chairman. I have yet to hear one good, sound, substantial reason advanced by any member of this committee why these Subtreasuries should be abolished, other than that they should be abolished because they are barnacles on the ship of state and because they are unnecessary. Yet the men who know say that they are necessary and should be continued.

Mr. Chairman, if we are to believe that the men who are

handling the affairs of the Government know what they want, if we believe that the men who are at the head of these great departments, and especially the gentleman who is at the head of the great Treasury Department of the United States—a man to whom we have intrusted immense problems—if we believe that he is right, if we believe that he knows, if we believe that he is intelligent enough to tell this Congress how the expenditures of this department should be met, then we should have confidence enough in him also when he says to this Congress that these Subtreasuries should not be abolished, instead of taking the word of a commission or bureau who admit in the opening of their report that they have not investigated the con-

ditions that surround these institutions.

Now, Mr. Chairman, I do not care who the gentlemen are who are employed in these Subtreasuries. The Subtreasury in Boston is in the district that I have the honor to represent, and I know that many of the employees of that department have been there for many years and have rendered faithful service. They have given the best that is in them, and this commission comes forward and says their department should be abolished and these men should be transferred to the department that runs the Federal reserve banks. Mr. Chairman, I hope the amendment will

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Mr. Chairman— Mr. WALSH. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] Sixty-eight Members, not a quorum.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee rise. Mr. Chairman, I hope I will be permitted to make this statement, that to-morrow I hope gentlemen will consent that we can run very late or at least until 6 o'clock because the trouble is that we have been several days upon this bill and we are not making the progress we should make.

The motion was agreed to.

Mr. RUSSELL. Mr. Chairman, I ask permission to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman asks permission to extend and revise his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. VARE. Mr. Chairman, I make the same request.

Mr. COX. Mr. Chairman-

Mr. STAFFORD. Mr. Chairman, I think those requests should be made in the House in view of the fact that the Chair has declared that there is no quorum present and no business can be done without a quorum.

The CHAIRMAN. Well, if it is done by unanimous consent the

Chair does not think there is any difficulty.

The committee rose; and the Speaker having resumed the chair, Mr. Saunders of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 10358 had come to no resolution thereon.

COMPENSATION OF PRIVATE EMPLOYEES.

Mr. COX. Mr. Speaker, I ask unanimous consent to insert in the RECORD some data which has been furnished me as to employees in private life which I think may have some bearing upon the legislation seeking to increase clerical salaries

Mr. WALSH. Mr. Speaker, reserving the right to object, does it have any bearing on anything connected with this bill?

Mr. COX. I think it will before we get through with it. I am trying to get this in the RECORD for the information of Members of the House, pure and simple,

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. GALLIVAN. Mr. Speaker, I ask unanimous consent to extend and revise my remarks on the Subtreasury matter.

Mr. SHERLEY. Mr. Speaker, I ask that those who spoke on the Subtreasury matter to-day may be allowed to extend their remarks in the RECORD.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that everybody who spoke on the Subtreasury business shall have five legislative days

Mr. SHERLEY. No; just have leave to extend their remarks.

The SPEAKER. Have leave to extend their remarks in the RECORD.

Mr. WALSH. Does the gentleman desire to include those

who may speak to-morrow? Mr. SHERLEY. I have no objection to that. I thought gen-

tlemen wanted to extend their remarks after to-morrow. Mr. WALSH. I think it would save time to include all of those, too.

The SPEAKER, Is there objection? [After a pause.] The Chair hears none.

MEMORIAL.

The SPEAKER. The Chair lays before the House the following memorial, which the Clerk will report.

The Clerk read as follows:

WASHINGTON, D. C., March 1, 1918.

To the House of Representatives, Washington, D. C .:

To the House of Representatives, Washington, D. C.:

Mr. Speaker and gentlemen of the Sixty-fifth Congress, I beg to inform you that at a general election held in the second district of Ohio on November 6, 1917, I was duly and legally elected by the electors of that district as a Representative in Congress for that district to fill out the unexpired term of Capt. Victora Heintz, and that by reason of political chicanery, trickery, and other unlawful means I have been unable to obtain my regular credentials.

Having exhausted all lawful means in my State to obtain the usual credentials, I now appear before you with the evidence, written and oral, in support of my claim to a seat in this Congress.

And upon behalf of the electors of the second district of Ohio and myself I respectfully request that an opportunity may be afforded me to present to this House the evidence of my election.

Yours, respectfully.

Dayid L. Baumgaren, Sr.,

DAVID L. BAUMGARTEN, Sr., Representative elect of the Second District of Ohio.

Mr. GARRETT of Tennessee. The Speaker is going to

The SPEAKER. Yes; the Chair is going to refer it. Mr. STAFFORD. Mr. Speaker—

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary

Mr. STAFFORD. Mr. Speaker, I was going to ask whether every communication that is addressed to the Speaker, upon being presented in this informal way, gives it the privilege to have it referred to a committee?

The SPEAKER. It does not; but there are precedents, three or four, about this very line of conduct.

Mr. STAFFORD. I thought it did not give the privilege to have it referred.

The SPEAKER. A communication that ought not to be referred will not be referred.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. May I inquire to what committee the Speaker will refer this?

The SPEAKER. The matter is referred to Elections Com-

mittee No. 3.

Mr. STAFFORD. Mr. Speaker, I make the point of no quorum. I think it is well to look into this matter, and overnight we may have the privilege of doing so. It comes here of a sudden, and involves the privileges of a Member of this House.

Mr. GARRETT of Tennessee. Well, the Speaker can refer it.

SENATE RILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3700. An act for the relief of John McW. Ford; to the

Committee on the Public Lands.

ADJOURNMENT.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 48 minutes p. m.) the House adjourned until to-morrow, Saturday, March 9, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. CARAWAY, from the Committee on the Judiciary, to which was referred the bill (H. R. 7796) to increase the salary of the United States marshal for the western district of Michigan, reported the same without amendment, accompanied by a report (No. 362), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 3563) to increase the salary of the United States district attorney for the district of Rhode Island, reported the same with amendment, accompanied by a report (No. 363), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. RUBEY, from the Committee on Agriculture, to which was referred the bill (H. R. 7795) to appropriate \$50,000,000 for the purchase of seed, grain, and feed for live stock, to be supplied to formers and the formers and the formers are the second and the formers are the second as the second and the formers are the second as the second plied to farmers and stockmen, and to create boards in the respective States to assist in carrying out the provisions of this act, reported the same with amendment, accompanied by a report (No. 364), which said bill and report were referred to the Committee of the Whole House on the state of the Union,

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:
By Mr. KETTNER: A bill (H. R. 10587) granting to the

city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation, for dam and reservoir purposes for the conservation of water, and for other purposes; to the Committee on the Public Lands.

By Mr. DOUGHTON: A bill (H. R. 10588) authorizing the Postmaster General to cancel or readjust the terms of starroute and screen-wagon contracts; to the Committee on the Post Office and Post Roads.

By Mr. SABATH: A bill (H. R. 10589) to make valid certain certificates of naturalization; to the Committee on Immigration and Naturalization.

By Mr. CARTER of Oklahoma: A bill (H. R. 10590) to provide for a determination of heirship in cases of deceased members of the Cherokee, Choctaw, Chickasaw, Creek, and Seminole Tribes of Indians, in Oklahoma, conferring jurisdiction upon district courts to partition lands belonging to full-blood heirs of allottees of the Five Civilized Tribes, and for other purposes; to the Committee on Indian Affairs.

By Mr. CARY: A bill (H. R. 10591) to regulate and license the business of selling pianos, jewelry, furniture, clothing, and other commodities on installments; to the Committee on the District of Columbia.

By Mr. MONDELL: A bill (H. R. 10592) authorizing the addition of certain lands to the Wyoming national forest; to the Committee on the Public Lands.

By Mr. FRENCH: A bill (H. R. 10593) granting the consent of Congress to the county commissioners of Bonner County, Idaho, to construct a bridge across the Clarks Fork River at or near the village of Clarks Fork, Bonner County, State of Idaho; to the Committee on Interstate and Foreign Commerce.

By Mr. DRANE: A bill (H. R. 10594) to safeguard cargo-laden

vessels of the Navy; to the Committee on Naval Affairs.

By Mr. HADLEY: Joint resolution (H. J. Res. 262) relating

to the establishment of an international memorial day; to the Committee on Foreign Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, favoring the investigation into the situation confronting dairy farmers and to take the necessary steps to remedy same; to the Committee on Agriculture.

Also, memorial relating to the privilege of sending mail without payment of postage; to the Committee on Ways and

By Mr. CARY: Memorial of the Legislature of the State of Visconsin, relating to the privilege of sending mail without the payment of postage; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Wisconsin, relating to excess profits and war revenues; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions

were introduced and severally referred as follows:
By Mr. BARNHART: A bill (H. R. 10595) granting an increase of pension to George W. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10596) granting an increase of pension to

George D. McKinney; to the Committee on Invalid Pensions, By Mr. BOOHER: A bill (H. R. 10597) granting an increase of pension to Edward M. Hayhurst; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 10598) for the relief of Mathew Horrigan; to the Committee on Military Affairs.

By Mr. ELLIOTT: A bill (H. R. 10599) granting a pension

to Joseph R. Cook; to the Committee on Pensions.

By Mr. HAMLIN: A bill (H. R. 10600) granting an increase of pension to R. P. Leach; to the Committee on Pensions.

By Mr. HILLIARD: A bill (H. R. 10601) granting a pension

to William James McDermett; to the Committee on Pensions. By Mr. LITTLE: A bill (H. R. 10602) granting an increase of pension to Nathaniel Singletary; to the Committee on Pensions.

By Mr. MILLER of Minnesota: A bill (H. R. 10603) authorizing conveyance by deed to William Orr of a one-eighth acre of land on Pelican Lake; to the Committee on the Public Lands.

By Mr. OVERMYER: A bill (H. R. 10604) granting an increase of pension to Jacob F. Hiner; to the Committee on Invalid

By Mr. SWEET: A bill (H. R. 10005) granting an increase of pension to John D. Caswell; to the Committee on Invalid Pen-

Also, a bill (H. R. 10606) granting a pension to Walter S. Hewett; to the Committee on Invalid Pensions,
By Mr. WASON: A bill (H. R. 10607) granting a pension to

Fred F. Newell; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. DALE of New York: Petitions of Phillips-Jones Co. (Inc.) and of D. E. Sicher & Co., of New York City, urging the immediate passage of the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

By Mr. ELSTON: Memorial of Central Labor Council of Alameda County, Cal., condemning attacks on the loyalty of labor and pledging patriotic service to the country; to the Committee on Military Affairs

By Mr. EMERSON: Resolutions of the Fraternity League of Northern Ohio, in relation to the pay of postal employees; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: Petition of New York Zoological Society, favoring migratory bird treaty act with Canada; to the Committee on Foreign Affairs.

Also, memorial of board of governors of the Investment Bankers' Association of America, relative to war-finance corporation bill; to the Committee on Ways and Means.

By Mr. FLYNN: Resolution of the board of representatives of Federal Employees' Union No. 2, protesting against the repeal of the law allowing post-office employees the right to organize; to the Committee on the Post Office and Post Roads,

Also, resolution of the New York Zoological Society, regarding enabling act for migratory-bird treaty with Canada; to the

Committee on Foreign Affairs.

By Mr. HAMILTON of Michigan: Resolutions of the three churches and Farmers' Institute of Woodland, Mich., asking for immediate war-emergency prohibition; to the Committee on the Judiciary.

By Mr. HILLIARD: Petitions of Robert Ames Bennet and W. F. Murphy, of Denver, Colo., praying for the repeal of that section of the war-revenue act providing for increased postage rates on periodicals; to the Committee on Ways and Means.

Also, evidence to accompany House bill 10601, granting a pension to William James McDermett; to the Committee on Pensions.

Also, petition of members of campaign union, Woman's Christian Temperance Union, of Denver, Colo., praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Mrs. George L. Parker, Mrs. Draw Swift, Mrs. C. N. Cole, Mrs. D. F. Mason, Mrs. W. Q. Howell, Mrs. H. L. Esch, Mrs. E. R. Vanderhoof, Mrs. A. S. Lee, Mrs. H. V. Kepner, Mrs. W. H. Howell, Mrs. F. R. Hollenback, Mrs. G. A. Wiley, Mrs. C. J. Morley, Mrs. Fred Hendrickson, Mrs. K. Huffman, Belle M. Musser, Mrs. H. B. Kinney, Mrs. G. M. Eames, and Nellie Fay Eames, all of Denver, Colo., praying for prohibition as a war measure; to the Committee on the Judiciary. Ry Mr. LONERGAN: Petition of the Women's Christian Tom.

By Mr. LONERGAN: Petition of the Woman's Christian Temperance Union of New Britain, Conn., in favor of Randall warprohibition bill; to the Committee on the Judiciary.

By Mr. VARE: Memorial of the Philadelphia County Medical Society, urging passage of the Owen and Dyer bills; to the Committee on Military Affairs.

Also, memorial of Pennsylvania State Chamber of Commerce, relative to the payment of excess-profit taxes; to the Committee on Ways and Means.

SENATE.

SATURDAY, March 9, 1918.

(Legislative day of Friday, March 8, 1918.)

The Senate met at 12 o'clock meridian.

Mr. OVERMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the

The Secretary called the roll, and the following Senators answered to their names:

Ashurst Overman Hollis Johnson, Cal. Jones, Wash. Kenyon Knox Martin New Nugent Culberson Curtis Dillingham Page Saulsbury Sheppard Sherman Tillman Townsend Trammell Fletcher Frelinghuysen Gallinger Vardaman Warren Watson Williams Smoot Stone Swanson Harding

Mr. FRELINGHUYSEN. I desire to announce the unavoidable absense of my colleague [Mr. Baird].

The PRESIDENT pro tempore. Thirty-two Senators have answered to their names. The Secretary will call the roll of absentees.

The Secretary called the names of absent Senators and Mr. GERRY, Mr. HALE, Mr. JOHNSON OF SOUTH DEROTE, MR. KENDRICK, Mr. McCumber, Mr. McLean, Mr. McNary, Mr. Poindexter, Mr. SMITH of Maryland, Mr. SMITH of Michigan, and Mr. Underwood answered to their names when called.

Mr. SMITH of Arizona, Mr. Colt, Mr. SHIELDS, Mr. RANSDELL, and Mr. Kirby entered the Chamber and answered to their

names.

Mr. McNARY. I desire to announce the absence of my col-

league [Mr. Chamberlain] on account of illness.

Mr. Sutherland entered the Chamber and answered to his name.

Mr. SUTHERLAND. I wish to announce that my colleague, the senior Senator from West Virginia [Mr. Goff], is absent by reason of illness.

Mr. Sterling, Mr. Shafroth, Mr. Pomerene, Mr. Borah, Mr. Thompson, Mr. Hardwick, Mr. Bankhead, Mr. Wadsworth, and Mr. McKellab entered the Chamber and answered to their

Mr. GERRY. I desire to announce that the senor Senator from Kentucky [Mr. James] is detained by illness, and that the junior Senator from Kentucky [Mr. BECKHAM] is absent on official business.